THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

VOL. XVIII. | Annual Subscription, $5.00 | PUBLICATION OFFICE: TORONTO, JANUARY 25, 1924 | Single Copies, 10 Cents | No. 4

BUYING FEDERAL BONDS BUT WANT LESS SPENDING

Capital Shies at Enterprise Because of Taxes

NEED HOME MARKETS

Western Farmers Told by Agricultural Expert That They Should be Interested in Growth of Towns

The insistent demand for a reduction of public spending and relief in taxation is becoming a national wave of sentiment sweeping on to Ottawa and having its passing effect on municipal and provincial spending bodies. There is a growing realization of the fact that it is not a movement of any one section—of business, or of capital, or of the manufacturers or of the merchants—but a demand of all classes, due to the growing realization that finally taxes are inevitably paid by the consumer and that relief must come from smaller spending rather than in trying to burden any particular class, or to burden capital to the discouragement of enterprise. A significant development of the week then is the recognition by the government newspapers that the demand for taxation relief is a demand of the mass of voters and that it is something to which Ottawa must pay attention.

The fact that the $50,000,000 National Railways' loan found a more attractive price in the Canadian than in the American markets should not be regarded at Ottawa as an indication that free spending is being encouraged. It rather indicates that capital, because of excessive taxation, is being discouraged from entering those enterprises which will develop the country's raw materials, with the aid of Canadian initiative, for the creation of national wealth and prosperity. Rather should we ask why outside capital cannot be secured for government financing. There is great surplus wealth in the United States. The savings of the Canadian people should, in a country of such opportunities, be profitably employed in the development of Canadian resources.

Reassuring Features

The manner in which the change of government from Conservative to Labor has been accepted by Great Britain is perhaps the most reassuring feature of that situation. The pound, which is the barometer by which conditions can be read in this country, has indicated that the actual change had been fully discounted—both at home and abroad. There is in evidence a growing confidence that the radical element will be held reasonably in check by the government leaders, not only because radical proposals would not carry in the Commons as constituted but because there has always been in England that common sense which has shown a disposition to object to measures which are obviously not in the public interest. It is the proposals which are unsound but attractive and not understood which are to be feared and in this connection it is worth pointing out that with the prospects of a Labor government going into office there was a tendency to disown the capital levy election cry which had evidently served its purpose. What are to be feared are socialistic experiments, fundamentally unsound, designed to appeal to a large number of voters, and which can only be carried through by wasteful expenditures.

The European situation gives little hope of such improvement in market conditions there as will materially benefit the agricultural industry in Canada for some time to come. Into this situation comes the interesting suggestion which has been made to Saskatchewan farmers at Saskatoon that they should not look so far afield for markets but should study conditions at home. Hugh J. Williams, director of marketing for the state of Minnesota, points out that the farmer has an interest in the urban community just as the business man or manufacturer or merchant has an interest in the development of agriculture because the town and the city are the markets of the farmer. Therefore, if, in the development of Canadian resources, we can bring out productive artisans and industrial laborers, and employ them to develop our mineral, forest and other industries, the farmers stand perhaps to make more through the improvement of demand for farm products by this development than if more grain growers are put on the land to increase agricultural production which must be moved to the markets of Europe where prices are unsatisfactory. The argument therefore is for well-balanced immigration of the proper types of workers rather than for a campaign for farmers alone; the undesirables of any class are not wanted.

The west's big crops this year did not solve the problem of restoring the equilibrium in prices between what the farmer gets for his produce and what he consumes but the big Alberta yields and the Saskatchewan returns did tend to relieve the situation, ac-

(Continued on page 13)

Public Good-will Great Asset of Manufacturer

BOSTON.—Robert Amory, president of the National Association of Cotton Manufacturers, in a review of the textile situation in Massachusetts, expresses the belief that the year 1924 in the cotton industry can be looked forward to by the optimist as one of hope, provided manufacturers, operatives, legislators, and public, sit down together and make this hope fruitful to all. He says to the manufacturers: "I cannot emphasize enough that your greatest advantage is the goodwill of the citizens of your respective states, and their sound appreciation of an encouragement to industry. This attitude is reflected in the feeling of your legislatures toward your mills. The lack of this feeling of goodwill and encouragement toward the New England mills is their principal, if not their only, handicap."

PRAIRIE CITIES READY TO FACE TAX PROBLEMS

Trying to Reach Some Fair and Uniform Levy

From Our Own Correspondent.

REGINA.—The campaign which THE FINANCIAL POST is carrying on for tax reduction is striking a responsive chord in Saskatchewan as well as in other parts of the Dominion, although the great question here as elsewhere is where to begin? Tax equalization so that all classes in the community shall bear their fair share of the burden of administration is closely connected with tax reduction, and the cities of the province are greatly concerned about the levying of an income tax in cities which have not yet taken advantage of the provisions of the City Act, and in securing from the provincial legislature amendments to the Act so that more effective machinery might be created for the securing of returns, and for the imposition of the Act in a fair and equitable manner.

Mayor S. A. Burton, of Regina, has suggested that the cities of Regina, Moose Jaw, and Saskatoon, should hold a conference at the earliest possible date to decide upon what amendments to the Act should be recommended to the legislature at the next session, which opens Thursday, Jan. 31. Regina has been collecting an income tax, but has encountered much criticism, both from the press and the taxpayers. Saskatoon has not yet resorted to this source of revenue, but City Commissioner Andrew Leslie states that he is not against the measure on general principles, but believes that the cities should secure legislation so that the schedule of rates to be imposed would be considerably lower than the Dominion tax, but the tax should be along similar lines.

I.W.W. STRUCK SNAG IN CRANBROOK STRIKE

Lumber Manufacturers in a Good Position to Defeat the Demands Being Made

From Our Own Correspondent.

CRANBROOK, B. C.—The lumbering industry of B. C. is facing a serious strike. Of 1,500 men employed, over 1,200 are out and being fed and housed by the I. W. W., mostly in the town of Cranbrook. The organizers of this strike are I. W. W. delegates, and they practically admit this, in fact, are putting out handbills headed I. W. W. The demands are various. but the main points being a minimum wage of $4 per day, eight-hour day from camp to camp, which means six hours actual work on the job; and the release by the United States government of all class prisoners. There is a feeling here that this strike is being engineered by the I. W. W. only for the purpose of disrupting industry in this section of the empire, and is being financed in part, at least, by the same group mentioned in various articles of late in THE FINANCIAL POST.

[Exactly the same people are back of the I. W. W. as are back of the various organizations at work in the various universities. Evidence of this came out in the series of articles on the operations of the Workers' Party in Canada, particularly in the West, published in the Winnipeg Free Press. They are all directed by the same head, as is proved by the documents given out by Secretary Hughes at Washington.—Editor.]

Manitoba Expenses Over Half a Million Lower

WINNIPEG—The expenditures of the province of Manitoba for the fiscal year 1923 were approximately $650,000 less than in 1921, after deducting interest which had been increased in the interval. This is one result of a general plan of the administration to reduce expenditures to lower levels. In the face of the high cost of services which the government has to purchase, this statement, which was secured by THE FINANCIAL POST from a reliable source, is particularly gratifying.

MORE PROTECTION IF BALDWIN PLANT TO BE OPERATED

Only 5 Per Cent. and Does Not Overcome Other Disadvantages

Further tariff protection is necessary to ensure the re-opening of the Baldwin Canadian Steel Corporation plant at Ashbridge's Bay, Toronto, according to Sir Hugh Poynter, head of the Baldwin interests in Canada, in a statement to Canadian Machinery.

"While there are important internal questions which affect the issue," says Sir Hugh, "it is certain that further proction must be secured, and we do not regard that as a prospect of the near future."

Sir Robert Horne, former British Chancellor of the Exchequer, and one of the directors of Baldwin Steel, accompanied by Sir Hugh Poynter, visited Premier King during the past few days, and negotiations are still in progress. While definite announcement cannot yet be made, it is considered doubtful whether the plant will again be operated by the Baldwin interests.

Owing to present disparities between tariff rates upon raw and manufactured products, the protection enjoyed by the Baldwin products is only about 5 per cent., which, when taken together with the shipping disadvantages, the Toronto plant has had to face in competition with other plants, chiefly in the United States, make it practically impossible for the business to carry on. Prospect of change in the tariff is very hazy, says, Sir Hugh Poynter, continuing:

"The plant at Ashbridge's Bay represents roughly an investment of one million dollars. After erection, it operated for about a year and a half, with as many as 400 men employed at one time. Production now has been suspended for about fourteen months, and the plant, fully equipped, is lying absolutely idle. This idleness costs money, and we, frankly, are not inclined to stand another similar period, which might range anywhere from six months to two years.

"The money invested there," concludes Sir Hugh, "can better be employed elsewhere. The plant might be disposed of to someone who could afford to wait for more favorable operating conditions, or, failing sale, might be dismantled, and much of the equipment taken to England."

EXPECT "SALESBOOK" TO GO ON 4% BASIS

Company Paid Shareholders $3 On Each $20 Share During Year Just Closed

Advertising itself as the world's largest manufacturers of counter sales books, the American Salesbook Company is doing a considerable amount of publicity in United States papers to commemorate the fortieth anniversary of the founding of the check book industry. This company, which is controlled largely in Canada, operates in the United States only, Canadian sales of check books being handled through F. N. Burt Company.

American Salesbook is known to have been enjoying keen prosperity and earnings have been sufficient to warrant the expectation that the dividend rate of $3 per share, that prevailed in 1923, will be increased to $4 for 1924. The stock has a par value of $20 a share, and a $3 dividend rate is equivalent to 15 per cent. on a $4 rate to 20 per cent.

In this connection, shareholders have been inquiring of THE FINANCIAL POST if the company has definitely gone on a dividend basis of $1 quarterly. The most recent dividend announcement was so phrased as to give this impression. To shareholders who have been puzzled over this matter it can be stated that no action has yet been taken by the directors to definitely establish a dividend rate of $1 a quarter, or $4 a year. From quarters close to the company it is learned that earnings are such that this action could be taken, however, without weakening its exceptionally strong liquid position.

Opinion in Quebec on Sovietism in Ontario

The Telegraph, Quebec. — "To those who may persist in believing that Canada is in no danger from any of the foreign elements of her population, and the the Bolshevist Third Internationale of Moscow, has no foothold here, may change their minds somewhat when they learn from the evidence in a case heard the other day by Judge Kelly at Port Arthur, which was allowed to go uncontradicted that the Ukrainian Worker's Party of Canada is recognized by the Third International of Moscow, as its direct agent to whom it conveys open instructions."

The Herald, Montreal.—"These are startling charges and reading them through one can well understand why Judge Kelly should utter such an emphatic and indignant comment. But is the matter to be allowed to rest there? It seems to us that the government institute an immediate investigation into the activities of the Ukranian Workers' Party and take decisive action if that party is shown to be engaging in seditious propaganda."

Soviet Activities in Toronto University Now Admitted

The Varsity, the bright, well-edited daily newspaper, published by the undergraduates of the University of Toronto, in its issue of January 18, publishes an article which admits the accuracy of the statements that have appeared in THE POST, and gives additional confirmatory details. While it apparently contradicts THE POST in some respects, the article was evidently written by some good Loyalist, who deserves the thanks and gratitude of all students, and all loyal Canadians for his clever handling of the story. More is meant than meets the reader's eye.

The Varsity says the League of Industrial Democracy has no official connection with the University of Toronto, therefore THE FINANCIAL POST'S bogey disappears. At no time has THE POST said that these disloyal campaigns were officially or formally recognized by the University. The foreign emissaries who come here to start these campaigns lay particular stress on the necessity of avoiding this, and of working quietly—"boring in"—unostentatiously, to enlist only those professors and authorities who are known to be sympathetic. Special instructions are given that "wherever possible the meeting on organization and, in fact, all of the meetings are to be arranged in such a way as not to suggest a formal classroom lecture, but to hold small meetings in social rooms. Students' own rooms are usually better meeting places than classrooms." What THE POST did say, and does say, is that certain officials and societies connected with the University of Toronto have been aiding, abetting, encouraging and promoting this campaign for creating discord and disloyalty; that the men really back of the whole movement are the same men who are directing the Soviet campaign on the continent—the same men who, during the war, were aiding and abetting German activities in Canada and the United States, that were uncovered primarily by Sir Robert Nathan chiefly in Toronto, Ottawa, and New York.

THE POST has not charged the students themselves with disloyalty. Ninety-nine out of a hundred of them are absolutely unaware that the activities we have referred to are not perfectly legitimate.

Agitation is Under Auspices of Christian Association

The Varsity frankly admits that Paul Blanchard, a representative of the League of Industrial Democracy, did speak at Hart House on November 16 under the auspices of the Students' Christian Association. This has all along been persistently denied. When THE POST first drew attention to this meeting the information came from one of the professors of the University, who entirely disapproved of the proceedings. He said that Blanchard came here under the protection of a certain professor, and that he spoke under the auspices of the Students' Christian Association. Enquiries were immediatelly made from the officials of the Students' Christian Association by a representative of THE POST. At first all knowledge of the meeting was denied. Then it was later admitted that such a man spoke but that he arrived at the university as a stranger, appealed to a representative of the Students' Christian Movement, who knew nothing about him, but arranged for him to have a room. The next admission came last week from Mr. Ferris, who is apparently the principal official of this association here; a member of THE POST staff asked him if Blanchard spoke under the auspices of his association. He said he did not, but that it happened that a member of the association presided. Now we have Varsity coming out and telling the truth—confirming the information given originally by a professor in the university. The facts are that the Students' Christian Association know a great deal about Paul Blanchard, and a great deal more than has come out about the people back of him. A year ago, an article by P. Blanchard, giving views that are not usually permitted in well regulated Sunday schools, was distributed quietly among young men and women in Toronto colleges.

The Varsity says that THE POST'S scathing criticism of the League is quite unfounded, according to different sources of information consulted by the Varsity. Will the Varsity be good enough to give those sources of information, as THE POST has given well-known names as its authorities? The League pretends to represent Labor. Would the Varsity ask one of the League friends at the university to name any great Labor leader who is actively associated with or will express anything but disapproval of the League for Industrial Democracy, or any of the numerous names under which it disguises its operations—Social Science Group, Industrial Study Club, Liberal Group, etc.?

The Varsity admits that the object of the league is "an educational society existing to promote a social order resting on production for use and not for profit. We believe that this end can be best attained through social ownership, with a larger measure of self-government in industry, as opposed to the autocracy of absentee owners." THE POST would like to see the Varsity publish a few more extracts from League literature, particularly the secret instructions which go quite a bit further, and which are obtainable from some of the League's friends connected with the Students' Christian Association. Will it quote the secret instructions which tell students to be ever on the look out for labor troubles in their locality, and to take an active part in local strikes, etc.?

Will the Varsity ask the Students Christian Association, and others—some very prominent in college circles—why, during the last two or three years, they have assisted or brought speakers, and organizer after

(Continued on page 16)

WORLD'S BIGGEST NEWSPRINT PLANT IS BEING FORMED

Negotiations Look Bright For St. Maurice Valley Company

From Our Own Correspondent.

MONTREAL.—At the middle of the week it seemed almost certain that negotiations for the merger of the four St. Maurice Valley newsprint producers in the world's largest paper company would reach a successful conclusion. There were conferences of vital importance slated for Thursday.

The four companies that are planned for incorporation in the St. Maurice Valley Paper Company—the name that may be chosen—are the Belgo-Canadian Paper Company, the Laurentide Company, the St. Maurice Paper Company, and the St. Lawrence Paper Mills. All are newsprint producers. Only newsprint producers for the small surplus production of pulps now coming out of some of the mills will be utilized in developments now under way in the shape of new newsprint machines. The other two paper mills of importance in the St. Maurice Valley—the St. Maurice Lumber Company, owned by the International Paper Company, and the Wayagamack Pulp and Paper Company, producing kraft wrapping paper, are not parties to the present deal.

Assets of $75,000,000

The corporation would have tremendous assets, and would be a dominant factor in newsprint production and sale on this continent. Total assets of the four companies are about $75,000,000, including current assets about $18,000,000, and properties valued at over $55,000,000. The total production of newsprint would be in excess of 1,100 tons daily, if the two new newsprint machines planned for the St. Maurice Company are included. This would compare with the 1,000 tons daily of the International Paper Company, the present world leader in production; 1,000 tons a day planned for the new Backus-Brooks Company in Northwestern Ontario 900 tons a day planned for Price Brothers and Company in Northern Quebec, and 700 tons a day at present turned out by the Spanish River Pulp and Paper Mills.

Few Re-Financing Blocks

No merger ever planned has had such simple problems of re-financing to contend with. The only bond issue of any of the four companies is one of $8,000,000 on the plants of the Belgo-Canadian Paper Company. These bonds were only recently sold. Laurentide Company has no bonds outstanding; St. Lawrence Paper has no bonds outstanding, although an issue of $2,500,000 has been authorized but not yet sold. St. Maurice Paper has no bonds outstanding, although an issue of $2,500,000 was recently discussed.

The business of eleminating mortgage issues being so simple, it is a very favorable factor that the stock issues should be almost equally simple. Laurentide and St. Maurice have no preferred stock outstanding; St. Lawrence has $2,500,000 of 8 per cent. preferred, and Belgo-Canadian has recently sold $4,000,000 of 7 per cent. preferred.

This makes total bonds of only $8,000,000, and preferred stock of only $6,500,000, or total securities to an amount of only $14,500,000 outstanding against properties of a value five times that figure.

German Trade Balance Is on Favorable Side

Despite the Ruhr occupation, German exports in October exceeded imports by $32,000,000, according to the Berlin correspondent of the New York Herald. The figures are taken from the latest government statistical report. This has deprived the Germans of their favorite plea in explaining the country's precarious financial condition, as it shows a favorable trade balance. Such arguments have been advanced for years despite the skepticism of foreign and radical German economists.

It has been generally taken for granted since the Ruhr occupation that the trade balance would necessarily be unfavorable, and these are the first figures which show a different state of affairs.

N. S. MINERS IN STRONG POSITION IN STRIKE FIGHT

Have Been Clever in Taking Up Their Present Position

LONG FIGHT LIKELY

Miners Feel Satisfied to Live On Strike Pay and Let Future Take Care Of Itself

SYDNEY—It becomes increasingly evident to observers here that unless the coal operators back down and grant the mine workers a minimum of at least the 1923 rates, Nova Scotia is in for one of the longest labor struggles in the turbulent industrial history of the province.

When a Sydney despatch to THE FINANCIAL POST, on December 7, predicted a coal strike early in the new year, the idea was pooh-poohed by many of the wise ones, who did not believe the union would make a determined fight in the face of the severe defeat sustained in the coal-steel disturbances last July. But on December 7 it was easier to be certain of what was likely to happen than it has been at any subsequent stage of the negotiations, which broke up on Jan. 15.

Since the miners rejected the company's 20 per cent. wage cut and the company rejected the miner's counter proposal to work an additional 30 days under the old rates—(while negotiations were continued)—the principal development has been Premier Armstrong's suggestion to the disputants to work 10 days more under the old rates pending the outcome of negotiations to be renewed with the assistance of a mediator.

The company has accepted and the miners rejected this proposal, the latter ostensibly on the ground that they do not want a mediator and that their union rules forbid them to work at all except under contract. The real reason is that they resent the company's rejection of their 30-day proposal and consider the first move toward a settlement should now come from Besco, and John L. Lewis has wired that district 26 has his full approval in this.

Whatever may have been the original object of the Besco tacticians who announced the 20 per cent. cut, the miners proved full of fight, and presented a solid front, and public opinion which last summer unanimously in favor of the company, against the radicals, now seems to be turning in the other direction.

This may be due, in part, to the fact that provincial business, politicians and newspapers who in the

(Continued on page 16)

Only Ten Years Wood Unless Action is Taken

From Our Own Correspondent.

MONTREAL.—By the export of a million and a half cords yearly of pulpwood, Canada is being deprived of at least $10,000,000 of revenue a year, which would be received if the pulp wood was kept in Canada and manufactured here. This estimate was made by Frank J. D. Barnjum at a gathering here this week. Mr. Barnjum ridiculed the idea of the royal commission on pulpwood touring the country at the taxpayers' expense when immediate and drastic action towards saving Canadian forests was required. He declared that Canada's entire available wood supply would become exhausted within a period of less than ten years unless drastic and immediate measures were taken to prevent such a calamity.

FEATURES

How Turnover Tax Differs From Sales Tax 2
Wheat Shipments Are One Quarter of Export Trade 3
Farmers Look Too Far Afield In Marketing 2
Oil Stocks Rise as Gasoline Price Advances 3
Market Strong, Featuring the Oils and the Mines 4
Trust Company Business Expands in Last Year 5
Use Pulp Embargo to Get Our Papers Into U. S. 7
Organizing in North to Get Iron Ore Bounty 8
Bishop Fallon on the Home Bank Situation 9
Getting Immigrants is Not All — Must Be Looked After 10
Backing Judgment to Get a Higher Return 11
Many Bond Issues Attract Numerous Bids By Dealers 12
Canadian Debt More Per Capita Than American 13
Will Heavy Fire Loss Bring Increased Rates? 14
Larger Savings Shown by Bank of Nova Scotia 15
World's Biggest Newsprint Merger Is Being Formed 16
Editorial—Mr. Tolmie Tells of Antagonism to Manufacturers — A Dangerous Theory in Quebec Bank Merger — Farmers Learning of Business—Taxes In a Grab-bag—Lesson for Canada From Roumania—German Settlers—Getting Value for Public Money — Consumers' Goodwill 10

FOREIGN EXCHANGE

WITH its own offices in the leading financial centres of the World, and with direct private wires between its principal offices in Canada and the United States, the Bank of Montreal is enabled to give its customers the advantages of close competitive rates on Foreign Exchange.

BANK OF MONTREAL
Established over 100 years

The Weyburn Security Bank
Chartered by the Act of the Dominion Parliament
TWENTY-SIX BRANCHES IN SASKATCHEWAN
HEAD OFFICE - WEYBURN, SASK.

DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; M. A. Miller, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted.

Travellers' Cheques

PEOPLE travelling on long or short journeys will find it most convenient to carry The Dominion Bank Travellers' Cheques. They are negotiable anywhere in the world and can be obtained at any Branch of this Bank

THE DOMINION BANK 964
HEAD OFFICE, TORONTO.
London, Eng., Branch, ... 3 King William St. E. C. 4.
New York Agency, ... 35 Wall St.

UNION BANK of Canada

Capital.................... $ 8,000,000
Reserve and Undivided Profits 2,067,074
Total Assets 128,299,679

The Bank's Annual Statement has just been issued and copies thereof are available for anyone, on application, at any branch of the bank.

Dominion Textile Company
LIMITED

Manufacturers of
COTTON FABRIC

MONTREAL TORONTO WINNIPEG

INVEST YOUR SAVINGS
5½% Interest Return
in a 5½ DEBENTURE of The Great West Permanent Loan Company
SECURITY
Paid-up Capital $2,414,663.00
Reserves 1,100,000.00
Assets 6,184,420.00
HEAD OFFICE, WINNIPEG
Branches: Toronto Regina Calgary Edmonton Vancouver Victoria Edinburgh, Scotland

Canadian Appraisal Co., Limited
Property Values Definitely Established to Meet All Insurance and Accounting Requirements
Toronto 364 University Street New York
Royal Bank Bldg. Montreal Equitable Bldg.

OSLER, HAMMOND & NANTON
WINNIPEG
Stocks and Bonds
Insurance
Mortgage Loans
Farm Lands

PROSPERITY TO BE CONTINUED IN THE STATES

Changes of Year Not Expected to Affect Business

STABILITY IMPORTANT

A Fairly Steady Price Level is Being Predicted—Building Activity Should Continue if Prices Do Not Soar

By JAMES S. ALEXANDER,
Chairman of Board National Bank of Commerce in New York.

NEW YORK.—In the period immediately following the close of the World War, the American general public as well as the financial and business public over-emphasized the importance of Europe to American business. The population of the United States is nearly one-third of that of all Europe west of Russia, and the purchasing power of the American people is much higher than that of the people of Europe. Our own markets absorb the larger part of our products. We have had good business in 1923 because the United States is more self-contained than any other country and because at present it has a dominating influence in the international markets.

The Outlook for 1924

It seems unlikely that changes in the international situation in 1924 will greatly influence American business. We are, therefore, principally concerned with the domestic situation, which seems to justify the expectation of a volume of business not far from the levels of the year just closed.

Examined in retrospect, the prosperity of 1923 meets the essential tests of soundness. For the first time since the establishment of the Federal reserve system we have had the opportunity of studying its operations under fairly normal conditions. The lowest point of credit liquidation was in 1922, but during that year money rates were influenced by heavy short-term refinancing operations of the treasury. During 1923, the volume of government refinancing was lessened. The early part of last year witnessed a somewhat too rapid expansion of industrial and commercial activity, resulting in a rapid expansion of bank credit. The inflow of gold continued. If imports for December should be at the average rate of the first eleven months, the net inward movement will amount to more than $275,000,000 for the year. The money market was thus subjected to divergent influences; yet throughout the year there was neither stringency nor oversupply of funds, the credit machine functioned smoothly and money rates fluctuated within a relatively narrow range. This was a direct reflection of the efficiency of the Federal reserve system as a stabilizing agency and of the judgment and restraint of the American financial and business public.

Predictions that the heavy gold holdings of the United States would inevitably lead to extreme credit inflation and subsequent disaster thus far have not been realized. Gold reserves of the Federal reserve system are now $3,084,000,000, compared with $3,049,000,000 for the nearest corresponding date of 1923. The Federal reserve ratio has remained around 75 per cent. throughout the year. The total bill holdings of the Federal reserve banks on January 2 were $262,000,000 higher than a year ago, but Federal reserve notes in actual circulation have declined $166,000,000. In the meantime, gold and gold certificates in circulation have increased by $262,000,000, nearly the same amount as net gold imports for the year. For the new year the promise is for ample supplies of credit at reasonable and fairly stable rates, a condition favorable to prosperity.

Prosperity and Prices

So intimate is the relationship between money and credit, and prices, that they must be regarded as part of the same picture. Wholesale prices receded somewhat in the later months of 1923, but the decline was moderate. As measured by the index number of the United States Bureau of Labor Statistics they were only 6 per cent. higher at their peak than at their lowest point, and, in November, were but 4 points or less than 3 per cent. below the level of November, 1922.

Although many believe that only with rising prices can prosperity be secured, true prosperity is dependent on stability. Prices in 1923 were about as steady as could reasonably be expected, and the outlook is for a fairly stable general price level.

Building and Construction

The enormous volume of building and construction has been a primary factor in the prosperity of 1923. It is believed that it amounted to close to five billions of dollars. During the winter months, permits for new buildings and contracts let have continued at a record rate for the season and it is the consensus of opinion at this time that building and construction in 1924 will be maintained at the high levels of the last two years. There is reason to expect adequate funds for financing building operations as long as prices and wages are stable, but a rapid rise in the price of materials and wages could easily curtail building in 1924 with far-reaching unfortunate consequences.

Industrial Activity and Employment

During the early months of 1923 the rate of industrial activity increased rapidly and many important industries reached record rates of output. During this time also prices moved upward, and there seemed to be real danger of excessive credit inflation, over-production and all their attendant ills. However, in the upshot, the business judgment of the country proved exceedingly wise. Production was slowly curtailed, prices declined somewhat, and the danger of credit inflation was safely passed. During the latter months of the year production was carried on at a notably lower rate than during the earlier period.

There were some strikes, long protracted and involving many workers, but industrial activity was not interfered with by labor disturbances to nearly so great a degree as during 1919 and 1920, when the labor shortage probably was no greater. Wages rose during the year, the National Industrial Conference Board reporting 1,267 advances and only 13 declines. However, the majority of the advances were made in the earlier part of the year, the slackening in industry exercising a deterrent effect on wage demands during the later months.

HOW A TURNOVER TAX IS DIFFERENT FROM SALES TAX

One is a Levy at One Point And the Other General

During the discussion of the sales tax, after the latest amendments led to a great deal of trouble, a proposal was heard for a turnover tax, and evidently from the manner in which the idea was received by the Associated Board of Trade of Ontario at Hamilton there was a feeling on the part of a considerable number of those attending that it offered something in the way of a solution for the problems. According to a bulletin which has just been issued by the Citizen's Research Institute of Canada the turnover tax is a variety of sales tax, but, whereas the sales tax is limited to the manufacturer, producer, importer, wholesaler, and jobber, or, as at present in Canada, to the one of these who is the first in the chain to sell commodities in their most highly finished state, the turnover tax, applied to its theoretical limit, is a tax upon the gross sales of commodities and services of all business whether manufacturing, wholesaling, jobbing, or retailing, and whether mercantile, financial or professional. It is applied not only at the initial stage, not only at the final stage, but in all stages between the raw material and the consumer.

Previous to the war the cost of national government was defrayed largely by consumption taxes in the form of import duties and excise duties. These fell in the final incident on the consumer, and the tax paid on any article was in direct proportion to the consumption of that article. The taxpayer paid his taxes when he spent money, not when he saved. Then came the various forms of income and profits taxation. The excess profits tax was later removed. These taxes were not based on the amount of consumption, but on the amount of gross income in the case of personal salaries or net income in the case of business.

In addition to the special sales tax, with which we have been familiar under the name of excise taxes, in general four types of sales tax may be enumerated:

1. A tax paid by manufacturers and importers, or partly by them and partly by certain middlemen, or by the owner at that stage which marks the highest point in manufacture. This is sometimes called loosely a wholesale sales tax. It applies of course to commodities only.

2. A tax paid by retailers on the amount of their sales. This is called a retail sales tax. It applies to commodities, and not to professional services. (Not found in Canada.)

3. A tax on turnover or gross sales of commodities, whether wholesale or retail. (Not found in Canada.)

5. A general tax on turnover or gross sales of all business, whether wholesale or retail, and whether of commodities or of business and professional services. (Not found in Canada.)

It will be seen that there are two types of turnover tax. (1) A tax on gross sales of commodities. (2) A tax on gross sales of commodities and service.

For purposes of clear thinking, the former will be commonly called "commodity turnover tax," and the latter "the general turnover tax." Differences between the sales tax as we now know it, and the turnover tax in both forms proposed in some quarters for adoption in Canada, follow:

1. The percentage to be applied under turnover tax is usually placed at 1 per cent. at each stage, instead of 6 per cent. at the most highly finished stage only, or varying percentages at one or more stages.

2. The turnover tax would apply to the sales of all commodties at all stages, and not simply at one stage.

3. The sales tax is applied to every individual sale at the time of sale and involves a tremendous amount of calculation and adjustment. The turnover tax would be applied on the amount of gross sales of commodities or services at the end of each month, or three months, and would involve simply the determination of one per cent. of the gross sales for the period specified. Anyone keeping even single entry books or even a cash register could easily fill out the necessary form and calculate the size of the government's cheque.

4. The number of businesses subject to the turnover tax would naturally be much greater than that now subject to the sales tax. This would increase the work of the tax department in so far as it would compel it to deal with more people, but would tend to decrease the work on account of the greater simplicity of the turnover tax, and the greater ease of auditing statements and making investigations where these are proved necessary. It would increase the number of those who would have to make reports, but would reduce, for the average taxpayer the difficulty of making out reports.

5. The general turnover tax would differ from the present sales tax in that it would be applied to the sale of services as well as of commodities.

Under the turnover tax, business up to five and six thousand dollars would probably be exempt.

WHEAT SHIPMENTS ARE ONE QUARTER OF EXPORT TRADE

Large Increase in Exports of Basic Canadian Commodities

PAPER AND FLOUR

Total Exports for 1923 Were Well Over One Billion Dollars—A Favorable Balance of Trade for First 9 Months

From Our Own Correspondent.

MONTREAL. — Canadian trade showed large increases in both exports and imports during 1923, but the balance of trade was little changed. For the nine months' period to the end of December exports amounted to $815,800,000, and imports $678,200,000, giving a favorable balance of $137,600,000. For the nine months of the previous year exports were $732,600,000, and imports $577,300,000, showing a favorable balance of $154,700,000.

For the full twelve months' period Canadian exports went over the billion dollar mark for the first time since 1920.

Canadian paper exports were maintained at a good level in December, and, while below the November figure, were substantially larger than in December of 1922. Comparative exports of wood pulp and of paper were as follows for December, and for the full year:

Wood Pulp

To United Kingdom	$ 273,548
United States	3,234,060
Other Countries	362,408
Total—Dec., 1923	$3,870,016
November, 1923	3,823,898
December, 1922	3,627,031
12 mos. ended Dec., 1923	$47,027,496
12 mos. ended Dec., 1922	41,037,849

Paper and Manufactures

To United Kingdom	240,004
United States	7,277,573
Other Countries	286,595
Total—December, 1923	$7,804,172
November, 1923	8,373,679
December, 1922	6,622,387
12 mos. ended Dec., 1923	$93,770,957
12 mos. ended Dec., 1922	74,825,893

Exports of Paper

Canada got a revenue of $85,600,000 from sales of newsprint paper in 1923, an increase of $18,000,000 over the 1922 figures. This is one of the most important of Canadian exports, and the large increase is of great value in maintaining a favorable balance of trade.

Outside of the newsprint field, Canadian exports of paper were held at the 1922 level. Comparative figures for some other lines were as follows:

	1922	1923
Paperboard	$2,328,829	$3,248,177
Book paper	225,710	365,956
Newsprint	68,362,817	85,611,258
Wrapping paper—		
Craft	2,740,049	3,087,057
Other	40,337	82,472
Bond and writing	75,432	56,173

Sugar Exports Are Lower

In the field of sugar exports, Canadian trade has suffered a rather alarming set-back in the last few months, and the high sugar exporting record of 1922 has not been held. Exports of Canadian refined sugar were made to only nine countries in December. For the whole year, exports totaled 119,000,000 pounds at a value of $11,500,000, as compared with $316,600,000 pounds of a value of $20,600,000 in the previous year.

In practically all lines of rubber goods—tires, tubes, canvas shoes, belting, etc.—Canadian manufacturers are showing distinctly better selling activity in foreign markets. Our tire exports were $5,600,000 in 1923.

Wheat Our Big Export

Canada has taken front rank among the nations of the world as an exporter of wheat, and wheat now forms the most important single export. For 1923 exports of wheat amounted to one-fourth of our total exports of all commodities and produce. Wheat exports for the year 1923 had a value of $258,200,000, as against $246,000,000 in the previous year.

Exports of wheat flour are holding steady at high levels. December shipments showed a decline compared with December, 1922, but for the whole year wheat flour sales abroad amounted to $62,400,000, as against $56,200,000. In December, Canada sold wheat to fifty different countries.

An important increase in Canadian truck and automobile export business is shown by trade figures dealing with this industry for 1923. During the year 12,439 trucks, valued at $4,503,000, went out of the country, as compared with 2,564 trucks valued at $1,094,000 in 1922. In the same period 57,481 automobiles, valued at $29,325,000, were exported, as against 35,394, valued at $21,059,000 in 1922.

The United Kingdom was Canada's best truck customer, taking 499. Australia came next witth 489, and New Zealand stood third with 252 to its credit. New Zealand was the heaviest auto purchaser, taking 1,846 during the year, as compared with Australia's 1,457 and the United Kingdom's total of 807.

Automobile parts exported during the year were valued at $3,530,000, as against $1,926,000 in the preceding year.

Studebaker Continues To Make New Records

NEW YORK.—Although Studebaker Corp. earnings in the last quarter of 1923 took a further drop as compared with the preceding quarters, the company closed the year with a new high record of earnings, establishing its sixth consecutive record-breaking year.

Output in 1923 was 150,000 cars against sales of 148,000. Sales in the last quarter were 25,500, compared with 40,695 in the third quarter. In 1922, sales dropped from 30,199 in the third quarter to 20,017 in the fourth quarter, the decline being 33 per cent. against a 37 per cent. decline in 1923.

Incorporated 1855
Capital and Reserve $9,000,000.
THE MOLSONS BANK
Your Business Needs Our Service
Over 125 Branches in Canada, manned by an experienced and highly efficient staff, are at your disposal. Every demand that you can reasonably make on a bank will be promptly and courteously met.
Edward C. Pratt,
General Manager
1-523

Robert Cassels W. G. H. Browne
A. M. Brown
Cassels, Browne & Co.
Members Toronto Stock Exchange
601 Colonial Building
TORONTO
Direct Private Wire to New York, Chicago and Washington

Direct to the ship's side —then EUROPE
TRAVEL by the famous Canadian Pacific fleet of Trans-Atlantic Steamships. Sailings at frequent regular intervals through the Winter from the convenient port of St. John, N.B.
Canadian Pacific trains convey passengers direct to the ship's side.
Apply to local agent,
H. B. Beaumont,
General Agent Passenger Dept.
1 King St. East
Toronto, Ont.

CANADIAN PACIFIC

Canadian Bank Note Company, Limited
Engravers and Printers
Bank Notes and Cheques
Corporation Bonds
Stock Certificates
Municipal Debentures
and other Monetary Documents
Head Office and Works
224 Wellington Street, OTTAWA
BRANCHES:
Montreal Toronto

LEGAL

PROUDFOOT, DUNCAN, GILDAY & TISDALL
Barristers and Solicitors
LEWIS DUNCAN
Counsel in Bankruptcy
Author of "The Law and Practice of Bankruptcy in Canada."
Federal Building, 85 Richmond St. W., Toronto, Canada.
Cable Address: Proudfoot, Toronto.

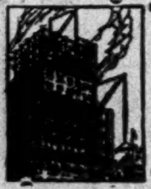
ALLAN, ALLAN & TAYLOR
BARRISTERS, SOLICITORS, NOTARIES PUBLIC
McCallum Hill Building
REGINA - SASK

PATENTS

S. R. W. ALLEN
Solicitor of Patents
Patents and Trade Marks in all Countries
Validity and Infringement Investigations
11 Place d'Armes, Montreal

CONTRACTORS

Anglin - Norcross
(LIMITED)
Contracting Engineers and Builders
MONTREAL TORONTO HALIFAX



SHARP and HORNER
Architects
73 King St. West
TORONTO

THE FOUNDATION COMPANY LIMITED
ENGINEERS — CONTRACTORS
The wealth of our experience—the efficiency of our staff and the superiority of our equipment enables us to undertake and accomplish the highest ends in all branches of General Building Construction.
DRUMMOND BUILDING
MONTREAL

BEAUBIEN, BUSFIELD & COMPANY
CONSULTING ENGINEERS
2 PLACE D'ARMES, MONTREAL
De Gaspe Beaubien J. L. Busfield

Geo. O. Merson, C.A., A.C.I.S.
W. F. Williams, C.A.
Geo. O. Merson & Co.
Chartered Accountants
807 Lumsden Bldg. Toronto

THE ROYAL TRUST Co
EXECUTORS AND TRUSTEES

FARMERS LOOK TOO FAR AFIELD IN MARKETING

Market Close at Hand is the Most Profitable

BUILD UP DEMANDS

Farmer Should be Interested in the Development of Industrial Communities so as to Increase Consumption

From Our Own Correspondent.

SASKATOON.—January and February are the great convention months in Western Canada, for this is the period when there is most leisure for the farmer and he can discuss his problems and plan his political campaigns with the least distraction from the demands of the farm. The cruel gibe, hotly resented yet by Western farmers, that the Western grain grower spends the winter talking politics while his wife did the chores, was undeserved, as it is only in cases of emergency that the Westerner expects his wife to "carry on" the place, but it is rather curious that with the entrance of women into politics, conventions are getting shorter. The Grain Growers' convention this year will only last three days, although in former years it has taken the better part of a week. The dominant note of these farmers' gatherings is a matter in which the entire community is interested, and it is significant that the tone of the first of these gatherings. the Agricultural Societies Convention held at the University of Saskatchewan, has been hopeful, recognizing the serious situation confronting Western agriculture, but expressing a firm faith in the ability of the farmer to weather the storm.

In his presidential address, N. B. Williams. of Abernethy, whose evidence before the agricultural committee of the federal house last summer was regarded as too optimistic, declared that his conclusions were based upon facts of which he had personal knowledge, and that much of the evidence given was of the "blue ruin" variety, which he did not believe could do any possible good, while it was certain to do harm.

An American View

Hugh J. Hughes, director of marketings for the state of Minnesota, addressing the agricultural societies convention, stated that the feeling that farm conditions are uniformly unfavorable is far from correct. Cotton and tobacco growers, wool producers, and dairy farmers, are all enjoying a certain measure of prosperity.

"Insofar as world production and trade are concerned, our nearness to the problems of livestock and grain production make us feel acutely a situation that is more or less local.

"One of the greatest mistakes that the farmer the world over makes is to look for a far distant market," said Mr. Hughes. The truth of the matter is that the consumer nearest at hand is his best and most dependable customer. The prosperity of the farm and of the town adjacent to it, are interlocked and cannot be separated. "A thriving country town and a thriving farming community go together," stated Mr. Hughes. "The reverse is also true. It is to your interest, it is a matter concerning your immediate financial welfare, to develop to the fullest extent cordial business relationships with your neighboring townsmen. It is to your immediate business advantage to supply them, as far as may be possible, with their necessities coming from your farms. It must always be remembered that on both sides there must be a fair measure of service, and it is for you especially to remember that when you build up the industries of the small town through your patronage, through your encouragement, through your co-operation, you are building up a near-at home-market for your products that will remain a business possession of yours just as long as you deal fairly with it. The prosperity of the Iowa farmer lies largely in the fact that surrounding him on all sides are thriving industrial communities, come there to meet his needs, and serving him as a home market for much of the produce of his labor. The ideal industrial life of America will not be realized until we have brought together more closely than at present our great industries of manufacturing and of farming. When we have done this we will better understand each other's problems. We will have provided each other with near-at-hand markets. We will have solved some of the difficult problems of transportation and exchange, and more than all else we will have avoided the great social mistake of having a lop-sided agricultural community on one hand, and a lop-sided manufacturing centre on the other."

Big Increase in Pig Iron and Steel Production

OTTAWA.—The production of pig iron in Canada during December was 59 662 gross tons, or slightly below the November output of 62,202 tons. Basic pig iron dropped 1,750 tons to 36,360 tons; malleable iron declined 5,163 tons to 3,513 tons, while the production of foundry iron increased 4,333 tons to a total of 19,749 tons.

The cumulative production for the twelve months ending December was 880,018 tons, as compared with 383,057 tons in 1922, an increase of 496,961 tons, or 130 per cent. The minimum monthly output was 40,739 tons, reported in January. Production rose steadily to a peak of 101,533 tons in May. and then remained more or less steady until the downward trend started in September.

The cumulative production of steel ingots for the twelve months was 884,770 tons, or 82 per cent. over the output of 485,643 tons for the year 1922, and 33 per cent. over the 667,484 tons in 1921. The output of steel rose steadily until May, dropped off slightly during June and July, reached a peak of 105,066 tons in August, then fell away sharply in September, and gradually declined to the lowest monthly output of the year in December.

St. Catharines German Circular Only a Tester

ST. CATHARINES.—The circular of the St. Catharines Chamber of Commerce which has been broadcasted on the question of 3,000 German families going into the province of Saskatchewan as immigrants has deservedly attracted the attention of the Ontario press, and as far as can be observed the suggestion that Canada should seek elsewhere for immigrants has been generally approved. It might be pointed out that the circular in question was not a resolution passed by the Chamber of Commerce of this city, but was more of a questionnaire, on which opinion was solicited. It is likely that the circular will bear fruit in the submission of a widespread expression of opinion on a very important matter of national concern.

OIL STOCKS RISE AS THE GASOLINE PRICE ADVANCES

Marked Change in Situation Affecting Oil Supply

With the annoucement this week of a 2 cent advance per gallon on the retail price of gasoline there was a further spectacular rise of some of the oil stocks on the Canadian markets. The following table gives an idea of some of the advances in the past four months:

	Sept., 1923	Jan., 1924
Imperial Oil	95	120
Inter. Petroleum ..	14⅛	20½
Mutual Oil	8⅞	12⅞
B. A. Oil	31½	37¼

This movement at the season of year when the consumption of gasoline is low will not be a matter for surprise, however, to those who have been following the situation in the international markets. There have been steadily rising quotations on crude oil and gasoline in the United States, where price increases have been general.

It is pointed out by oil men that some time ago the price advanced 4 cents a gallon in all the Middle Western States, and advances ranging from 2 to 4 cents are now general throughout the whole country. As these increases are on the wine gallon basis, a corresponding increase in Canada on the imperial gallon would be involved in the adjustment.

As Commerce and Finance says, the kaleidoscope reversal of the petroleum market is the reigning commercial sensation in the United States, and has been attracting attention in a more moderate way in Canada, because only investors and speculators have been interested until this advance in the price of gasoline was made.

Meanwhile, although it is the season of low consumption, crude production continues its sharp decline. Daily average production during the week ending January 5 dropped to 1,884,000 barrels, a decrease of 43,700 barrels during the week, and comparing with a peak production of 2,280,000 barrels.

The effect of the rise in prices on existing inventories is interesting Wall Street. Undoubtedly, it has added about $50,000,000 to values, but that is not a large part of what was lost during the decline. The American Petroleum Institute places crude production for 1923 at 745,000,000 barrels, an increase of about 30 per cent. over 1922; imports totaled 80,000,000 barrels, and consumption and export reached 730,000,000 barrels. an increase of 26.7 per cent. over 1922.

Varying Reports as to Maritime Timber Cut

ST. JOHN.—The reports as to whether or not the cuts of timber in the Maritime provinces will be large this winter differ somewhat. From Northern New Brunswick comes the word that more timber will be cut this winter than for several winters. Just enough snow has fallen to facilitate work in the woods. Last winter a super-abundance of snow, and continued extreme cold caused a curtailment of operations by many operators.

Reports from lower New Brunswick indicate that the cut will not be as large as had been intended. Factors in the reduced cut are the lack of sufficient snow, and high wages. The operators feel the wages are much too high this winter. However, wages are likely to drop before February. Lumber stocks have disappeared greatly in New Brunswick, although the prices realized are not what the owners had hoped to obtain in many instances. A favorable market is looked for in the spring, and that is the reason some of the operators are increasing their cuts.

Steel Creditors Paid Part of Their Claims

The L. R. Steel Protective Trust has paid 10 per cent. of the creditors' claims, $22,000. Plans are to carry on stores for another month. In December it is reported the stores in Canada showed a profit of $21,000. So far the Protective Trust has raised $750,000. The drive will be pushed to get in sufficient funds to pay off all the creditors. The payment of 10 per cent. by the trust is evidently designed to ensure further patience on the part of the creditors.

WAGES IN BUILDING TRADES STABILIZING

Unions Reluctant to Call Strikes—New Two-Year Agreement Being Signed

NEW YORK.—Wages in the building trades are showing signs of greater stability. Labor unions are more reluctant to call strikes, contenting themselves with "threats, intimidation and snowballing." Trades are signing up new two-year agreement, which raises daily pay of 100,000 skilled laborers by 50 cents a day, or a net increase of $2.75 a week. Agreement is operative to December 31, 1925.

Highest wages in history are being paid skilled labor. With the recent increase, scale varies between $10.50 and $12.50 a day for the various trades, although certain trades that are in demand receive $16 and $18 a day. This is true of the trowel trades. Plasterers are said to be getting $25 a day in suburban sections of New York City. Demand for skilled labor is intensified by speculative builders in their haste to construct residences to meet the housing shortage. In order to rush completion of operations, and make a quick turnover, these speculators offer increased wages to attract works from their competitor, who in turn must meet, or outbid, the offer if he desires to retain his men.

The Grain Movement

OTTAWA. — Preliminary figures showing the receipts at the head of the lakes, also Vancouver, B. C., for the period from September 1, 1923, to January 11, 1924.

	Fort William and Port Arthur	Vancouver B.C.
Wheat	225,018,178	15,607,323
Oats	24,360,370	117,374
Barley	9,665,663	......
Flax	3,343,302	......
Rye	3,984,602	121,817
Total	265,372,115	15,846,514
Same period 1922-23	232,140,047	8,717,306
Increase over last year ...	33,232,068	7,129,208

The Men We Call Lucky!

SOME men go through life spending money faster than they earn it. When Opportunity comes, they are unable to grasp it, and in their blindness call themselves unlucky.

The successful man looks ahead—systematically building up a good bank balance. Then when Opportunity comes, he is in a position to seize it—does so, and reaps his reward.

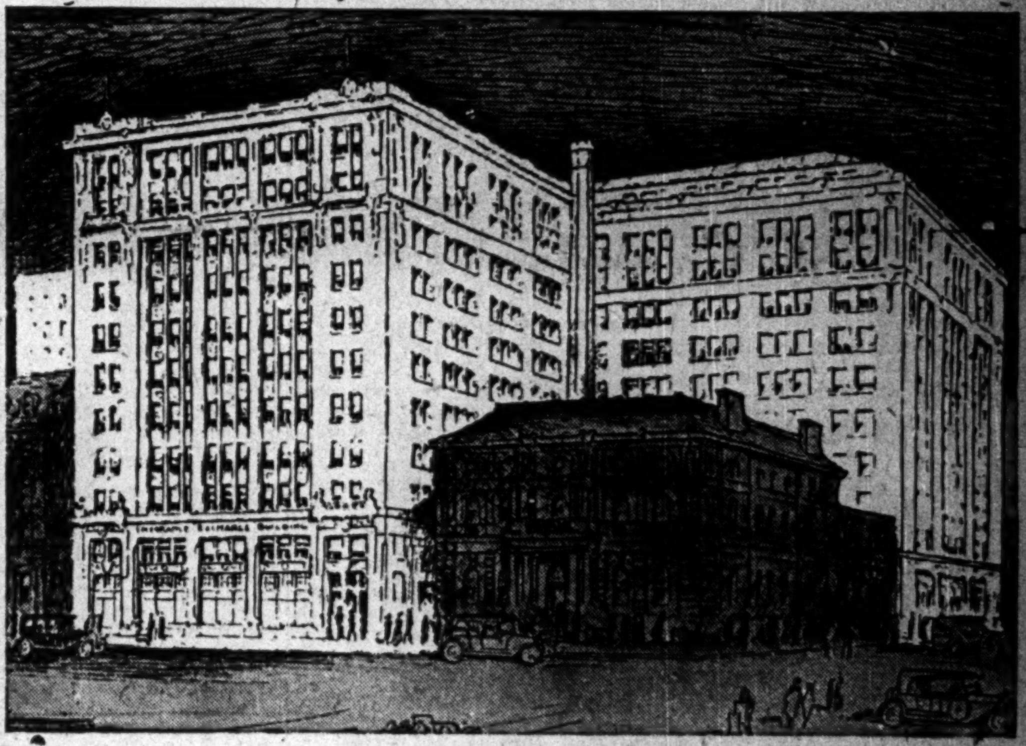
He is often called "lucky" It was not luck—it was Foresight.

Are you ready for your moment of sudden opportunity?

The Royal Bank of Canada

The Bank of Nova Scotia
Established 1832
Capital ....$ 10,000,000
Reserve Fund 19,500,000
Total Assets 220,000,000
GENERAL OFFICE—TORONTO, ONT.
J. A. McLEOD, General Manager.
Branches at all the principal centres throughout Canada and in Newfoundland, Cuba, Porto Rico, Dominican Republic, Jamaica, and in the United States at—
Boston Chicago New York
55 Old Broad Street, E. C. 2,
London, England, Branch.
Collections made at lowest rates and returns promptly remitted. Accounts of firms, corporations, and individuals carried on most favorable terms.
Correspondence Solicited.

INSURANCE EXCHANGE BUILDING



"The Financial Heart of Montreal"

To meet the expanding business requirements of the times, the Insurance Exchange Corporation Limited, offers high-class Insurance and Financial institutions and Commercial Corporations a comprehensive service in the Insurance Exchange Building.

A building occupying the premier location in the Financial District—it is an impressive visualization and outstanding monument to Montreal's Financial and Business prestige.

The exceptional light and floors having an area of 18,000 square feet offer an opportunity to corporations to establish, on one floor, their entire staffs and executives, thus effecting a large saving in the conduct of their affairs.

A building superlative in design, accessibility and character.

The last word in modern fireproof construction.

No expense spared in finish and equipment.

A good office in a good location is the first essential to good business. The Insurance Exchange Building in EVERY WAY merits your first consideration for your office home and can be made an asset to your business.

THE OFFICE YOU HAVE ALWAYS WANTED.

Offices $1,000.00 per year and up, according to location and area.

Secure your space now, so that your particular layout may be made while building is under construction.

Ready for occupation May 1st, 1924.

Ask us to send you booklet.

Offices on the premises, ground floor.

INSURANCE EXCHANGE CORPORATION LIMITED

Telephone Main 4302 MONTREAL 190 St. James Street

BOND INTEREST
is the salaried man's insurance against loss of earning power.

DOMINION SECURITIES CORPORATION LIMITED
HEAD OFFICE: TORONTO 26 KING ST. E.
MONTREAL ESTABLISHED 1901 LONDON, ENG.

MARKET STRONG FEATURING OILS AND THE MINES

Fairly Brisk Trading Noted During the Week

BUSINESS AND TAXES

Wall Street is Closely Watching Action on Mellon Proposals — Reduction Would Help Stocks

There has been considerable activity in the markets recently with an upward trend to prices on the exchanges, particularly in the oils and mines in the unlisted section, the latter accompanying a reflection of a fairly active buying movement on the Standing mining exchange.

Opinion as to the continuation of the present trend is divided along the lines of those who argue for a continuation of prosperity industrially, with a financial situation which will encourage stock trading activity, and those who see indications of changes in the future which may make themselves soon felt on the ticker quotations which are so sensitive to coming conditions. The Trader in Barron's Weekly sums up the situation from the New York viewpoint as follows:

With money so easy and credit so abundant on the commercial side, with brokerage liabilities in the face of the recent advance declining week by week and the speculative interest of the public at large negligible, the financial factors all suggest confidence. On the opposing side there are all the business uncertainties of the future and the inevitable increase in competition. Against this is the strength of raw materials. From the play of all factors it would not be surprising for the market to develop the usual seasonal hesitancy of late winter until the spring outlook is clearer.

The changes indicated in the week's trading on the "big boards" at Toronto and Montreal to Wednesday affected the various groups of industrials, utilities, etc., as indicated herewith. The banks, the papers, and the milling stocks fared best with steel also strong.

	Total	Gns.	Loss.	Unch.
Banks	11	5	5	1
Paper	11	7	2	2
Steel	11	6	3	2
Milling	10	6	2	2
Utilities	10	5	2	3
Trans.	3	..	3	..
Tractions	9	4	3	2
Textiles	8	1	4	3
Industrials	32	12	11	9
Total	105	46	35	24

Interest in Oils

As indicated elsewhere there was a considerable interest displayed in the oil stocks and with the rise the usual inquiry as to the reason. However, those who had been following the oil situation in the United States, and had noted the advances in gasoline and other products there, were not surprised by the advances announced in Canada which aroused a rather belated public interest. For months with increased production in California, which had widened the margin of surplus stocks despite increased consumption, there had been sagging prices and the markets for oil securities have reflected this situation. Then the flush period in California began to pass. The peak production of 704,800 barrels daily in September declined to 537,800 barrels a day by mid-January. The situation is not yet fully restored to health but speculators are at work with the oil stocks and, with prospects of increasing consumption on declining production, are discounting better things in the future. But that this time is some distance in the future is indicated by the fact that there are some 350,000,000 barrels of surplus crude available and it will be some months yet before it is needed to draw upon this.

Lower Taxes, Better Business

Wall Street is watching closely developments at Washington in connection with the Mellon plan for reduced taxation. The Guaranty Trust Company of New York says:

It is clear that a great stimulus will be given to industry if the tax reduction program now before Congress is carried out. The effect, however, is likely to be gradual, as fundamental changes of this sort necessarily require time. Tax reduction should lift an unproductive burden and aid long-term financing at lower rates. The producing capacity of the country cannot be kept equal to consumption demands unless such financing can be undertaken at reasonably low cost. Aside from the direct burden on the taxpayer, the effect of taxation in maintaining present levels of money rates is an indirect charge upon all interests in the community.

Public Utility Earnings

(Jamaica Public Service)

Week end.:	1924	1923	Change
Gross	$44,587	$44,391+	$ 196
Op. ex. & tax.	30,104	31,492—	1,387
Net	14,482	12,899+	1,583

(Canadian Pacific Railway)

Week endg.:	1923	1922	Change
Jan. 14,	$2,952,000	$2,810,000+	$142,000

WESTERN NATURAL GAS

	1923	1922	Change
October	$59,028	$56,252+	$2,776
November	96,570	99,096—	2,526

B. C. ELECTRIC RAILWAY

Gross earnings	$891,189	$899,124+	$7,935
Expenses, etc.	602,735	607,112+	4,377
Net Income	$288,454	$292,012+	$3,558
Aggre. Gross 1st July to 30th Nov.	$4,266,650	$4,339,366+	$72,716
Aggre. Net 1st July to 30th Nov.	1,236,790	1,276,852+	40,062

CANADIAN NATIONAL RAILWAYS

Week End:	1924	1923	Change
Jan. 14	$4,169,482	$4,312,039—	$142,557

LABELLE HEADS COMPANY

General A. E. Labelle, managing director of St. Lawrence Flour Mills, is president of a new company organized locally under the name of the Canadian Automatic Machine Company to exploit in Canada a cent-in-the-slot shoe cleaner. The new company has an authorized capital of $1,000,000, of which $650,000 is to be issued. Bruneau, Labelle and Company are handling the sale of stock.

BANKING INTERESTS STRONG FOR MERGER

Still Much Talk of a Deal in the Asbestos Industry of Quebec

From Our Own Correspondent.

MONTREAL.—Despite the failure of recent negotiations for a merger of the asbestos producers of Quebec, headed by Asbestos Corporation of Canada, there is a strong feeling that some fusion of interests will be effected. Negotiations looking to a merger of the two Jacobs companies, the Black Lake and the Asbestos Mines, with possibly the Maple Leaf and Pennington properties, and an asbestos manufacturing plant in the United States, are proceeding. The larger merger with Asbestos Corporation, Consolidated Asbestos Corporation and the Bennett Martin properties is discussed because it is known that one of the larger banks is heavily interested in the asbestos industry and is pushing the plans for the merger forward.

A press despatch which may or may not have a semblance of truth in it, and which has brought denials from the heads of the company, stated:

Proposed asbestos merger which was held up through Bennett Martin failure called for capitalization of $25,000,000, of which $5,250,000 6 per cent. bonds, $5,000,000 6 per cent. preferred and $11,750,000 common would be issued. Consolidation would include Asbestos Corporation, Consolidated Asbestos, Bennett Martin, Federal, Asbestos Mines and Black Lake properties.

Details now being completed for merging three first named into a company capitalized at approximately $20,000,000, which will be split in following proportions—Asbestos Corp. 74 per cent., Consolidated Asbestos 19 per cent. and Bennett Martin 7 per cent.

Second merger would embrace Black Lake, Asbestos Mines, Ltd., and Maple Leaf and Pennington properties, with capitalization reported below $5,000,000.

SOUTHERN CANADA COMMON ON BOARD

Stocks of Eastern Townships Power Company Listed on Montreal Stock Exchange

From Our Own Correspondent.

MONTREAL.—The rise to investment prominence of Southern Canada Power securities continued to another notch this week when the common stock, of which there are 50,000 shares of no par value outstanding was listed on the Montreal Stock Exchange. The stock touched a mark around 50 in early transactions.

Southern Canada Power owns, or controls, a number of power, gas, tramway and light companies in the eastern townships of Quebec. The parent company, or the various subsidiaries, between them own three hydro-electric power plants, which are being operated at Drummondville, Sherbrooke and Foster, and one steam plant at St. Johns, Que. Construction on a 30,000-horse power plant at Hemmings Falls is presently going on, to be completed early in 1925, at an approximate cost of $2,500,000. Two-thirds of the capacity has already been sold, and it is estimated that the growth of the territory served will soon exhaust the surplus capacity.

Southern Canada Power has conducted an important customer ownership stock campaign, and has also interested many investors living outside its field of service, and both the common and preferred stocks are widely distributed.

The Company has maintained a campaign with a view to locating new industries in the localities which it serves, and has brought in more than a score of manufacturing plants, having a total capital investment of approximately $25,000,000, and giving employment to 6,000 workers. The annual payroll of these new industries amounts to $4,500,000.

Current Events in investment circles

Our Monthly Investment Bulletin condenses the latest happenings in the investment world in a few pages. Analyzes conditions of leading companies, gives quotations of representative Canadian issues.

Worth fyling for reference and for checking the trend of your investments.

Let us put your name on our mailing list.

NESBITT, THOMSON and Company, Limited
305-7 Bank of Hamilton Bldg.
TORONTO
Montreal Hamilton
London, Ont. Winnipeg 275

News and Views for Investors

DOMINION BRIDGE AWARDED CONTRACT

The contract for the steel superstructure of the Clinch Bridge in the parish of Musquash, St. John county, New Brunswick, has been awarded by the New Brunswick department of public works to the Dominion Bridge Co., of Montreal. The contract involves the use of some 112,000 pounds of steel and the contract was awarded at approximately eight cents per pound.

TWIN CITY ELECTRIC

Advices from the Twin City Rapid Transit annual meeting at Jersey City, N.J., were to the effect that the annual report had shown earnings at a higher rate than in 1922. With respect to the future of the company, President Lowrey is understood to have expressed himself in optimistic vein, and to have intimated that the 6 per cent. dividend rate was assured for the current year. The president stated that the award on rates is expected to be handed down by March of this year.

BRITISH AMERICAN OIL

With the rise in British America Oil this week rumors were circulating that there was something good in immediate prospect for the shareholders. Rumors of this kind can usually be heard when a stock gets active. President S. R. Parsons denied that the company is contemplating anything unusual in the way of new capitalization or anything of that kind in the near future. As a matter of fact the strength of the stock finds ample justification in the advancing markets for gasoline and other oil products in the United States, which recently affected Canadian prices.

AN INVESTMENT TREND

Financing of electric light and power companies in America during 1923 reached a total exceeding the records of all previous years. According to statistics compiled by Electrical World, the total amount of bond, note and financing of companies conducting primarily an electric light and power business was $747,721,900, an increase of more than $152,000,000 over the figures of 1922. Many securities included in the compilation are those of companies which operate gas or street railway departments in addition to their electric business. The central station companies reported an increase of 26.4 per cent. in output over that recorded in 1922, and 20 per cent. larger gross revenues from the sale of electricity.

CANADA BREAD

After a slight reaction following the failure of the directors to declare a dividend, Canada Bread common recovered to 61 and has steadily risen to a new high of 74 this week. It was intimated that the long delayed dividend will be declared soon and the present strength appears to be in anticipation of this.

The company's business for a number of years past has been such that would permit of the payment of a dividend. However, the policy of the management has been to use surplus profits in expanding the business and despite pressure brought to bear the directors have remained solid in their ideas, with the result that Canada Bread extended their operations in Toronto, Montreal, Hamilton, Winnipeg and Ottawa without any increase in capital account.

BUILDING FOR THE FUTURE

The Trusts and Guarantee Company, of Toronto, have, it is understood, a profit for 1923 of about the same proportions as that of 1922. The company is at the point where its expenses of operation have necessarily increased and have increased more rapidly than can the profit. In other words further trust services have had to be established to the end of enabling the company to give a wide and full service to its clients. It will take some years for the full amount of work which these new departments are capable of handling to be secured. The volume of business coming to the company during 1923 has been gratifying—the wills on file, ready to give the company a revenue when they come to be executed, represent a very large future earning power.

BONUS SEEMS IN SIGHT

It is probable that during the present year some suggestion will be made regarding the possibility of paying a bonus to The Toronto Mortgage Company shareholders. This company, all of whose assets are most conservatively estimated, is in an exceedingly strong position with its reserve now considerably greater than its capital. The earnings are not only sufficient to pay the 10 per cent. dividend on the stock, but to further increase the reserve. There is a feeling that the building up of the reserve can now proceed more slowly and that a bonus of say one per cent. might well be paid late this year. With a continuation of the present management there seems no reason to doubt the continuance of ability to pay such bonus in subsequent years, or making it a part of the dividend.

ALGOMA STEEL CORPORATION

The 12 and 18-inch mills of the merchant plant of the Algoma Steel Corp. started operation this week after being closed down for some months. Nearly every department of the concern at Sault Ste. Marie is now in operation. There are two blast furnaces running and it is expected a third will be blown in in about a month.

The big mill which turns out heavier material is running on tie plates for the Canadian National Railways. The 12-inch merchant mill is running on bars for the Ford Motor Company. The rail mill, which started rolling on January 14, is running 100-pound rails for the Grand Trunk Railway Eastern lines. With the resumption of operations by the 18-inch mill, all the rolling mills are now running.

PENMANS

Discussing trade conditions during the past year and the outlook for business during 1924, H. Barrett, general manager of Penmans, Limited, knit underwear and hosiery, Paris, Ont., says: "Raw materials have all shown a steadily rising tendency and closed the year at top prices. With the exception of cotton, which is abnormally high, we think that raw materials will remain steady at the present levels, and if any change takes place, wool will probably show a hardening tendency. In a general way our mills operated on an increased scale as compared with the previous year. The condition of the domestic market has shown a steady improvement. This shows that fundamental conditions are sound, as owing to a late spring, a cold summer, and an unusually mild fall, it would have been unreasonable to expect a falling off in the volume of business. Our prices remained steady during 1923 except for an increase in the price of raw silk goods following the Japanese disaster."

ISLINGTON GOLF CLUB, LIMITED

READY FOR PLAY EARLY JUNE, 1924

Most accessible of any located in or near Toronto. Subscription list already totals over one hundred and fifty, and being added to daily. A limited number of shares available.

AT $150 EACH

This price is subject to advance without notice. If interested clip and mail this coupon at once.

Islington Golf Club, Limited,
510 Lumsden Bldg., Toronto.

Gentlemen:—
Please send me prospectus and other particulars regarding your club.

Name ....

Address ....

Reinsurance Company of Canada

S. C. TWEED, President

WATERLOO, ONTARIO

SECOND ANNUAL STATEMENT

DECEMBER 31st, 1923

Total Assets	$ 312,177
Policy Reserves and other Liabilities	78,875
Excess of Assets (Capital and Surplus)	233,302
Insurance Gained	1,682,375
Insurance in Force Dec. 31st, 1923	2,985,910
Total Income	62,675
Excess of Income over Disbursements	24,993

The Ontario Equitable Life and Accident Insurance Company

S. C. TWEED, President

WATERLOO, ONTARIO

FOURTH ANNUAL STATEMENT

DECEMBER 31st, 1923

Total Assets	$1,431,605
Policy Reserves and other Liabilities	1,274,892
Excess of Assets (Capital and Surplus)	156,713
Insurance Gained	11,633,564
Insurance in Force Dec. 31st, 1923	24,840,903
Total Income	653,705
Excess of Income over Disbursements	232,575
Government Deposits for Protection of Policyholders	254,000

We offer:

$600,000.00

Canada Housing Corporation
LIMITED

Twenty Year 6½% Mortgage Gold Bonds

Dated May 1st, 1923. Due May 1st, 1943.

Interest payable 1st May and 1st November. Principal and semi-annual interest payable at the Bank of Nova Scotia, Toronto, Canada. Coupon Bonds in denominations of $1,000, $500 and $100, with privilege of registration as to principal only. Redeemable in whole or in part, at the option of the Company, at 103 and accrued interest on any interest date after May 1st, 1926, on sixty days' notice.

TRUSTEES: MONTREAL TRUST COMPANY, LTD.

AUDITORS: Clarkson, Gordon & Dilworth.

LEGAL OPINION: Osler, Hoskin & Harcourt, for the Trustee; Hearst & Hearst, for the Company.

CAPITALIZATION

	*Authorized	Issued
Twenty Year Mortgage Gold Bonds (this issue)	$2,000,000.00	$600,000.00
Common Stock	500,000.00	500,000.00

DIRECTORS

H. Addison Johnston, President, Toronto Home Builders' Association; Managing Director, Professional Offices, Ltd.

Sir William Hearst, K.C. K.C.M.G., Commissioner International Deep Waterways Commission; Prime Minister of Ontario, 1914-19.

W. R. Baldwin, General Manager, Continental Fire Insurance Company; General Manager, Fidelity Phoenix Fire Insurance Co.

R. K. Grimshaw, President, Grimshaw Bros., Ltd., Builders and Contractors; Treasurer, Toronto Home Builders' Association.

Stafford G. Rice, Senior Partner, Rice, Gibson & Company.

SECURITY

The bonds will be secured:

(a) By a first charge and prior lien on all the Company's present and future assets;

(b) By mortgages, on solid brick houses, deposited with the Montreal Trust Company, Trustee for the Bondholders. These mortgages at all times exceed in value the amount of the bonds outstanding. The mortgages must be on Toronto homes, and will be accepted only when accompanied by the favorable report of an independent appraiser.

(c) By the covenant of the mortgagor on each mortgage.

SINKING FUND

As additional security the Trust Deed provides that, beginning May 1st, 1926, an annual sinking fund of 1 per cent. of the bonds issued, plus an amount equal to the interest on all bonds retired, shall be paid to the Trustee, to retire bonds of this series. This sinking fund is sufficient to retire about 30 per cent. of the bonds by maturity.

We have been unable to find any record of the loss of one dollar on bonds or debentures (such as the above) secured by mortgages on Toronto homes.

PRICE: 100 and accrued interest, to yield 6½%

Orders or reservations may be telephoned or telegraphed at our expense.

RICE, GIBSON & COMPANY
TORONTO McKinnon Building ONTARIO
Telephone Main 3030-1

YOU WILL AGREE WITH THIS

Merely agreeing to build your building within certain limits of cost and time is not enough.

Does your contractor's record agree with what he agrees to?

THOMPSON - STARRETT Company, Limited

Building Construction

THIS BOND *Yields* 8%

The issue is a First Mortgage on property and real estate valued at $1,799,000. This is equal to over seven times the amount of the issue. Earnings are at the rate of four times total interest charges. The security, therefore, is ample. In addition, the Principal, the Interest and the annual Sinking Fund are guaranteed. Payable in New York and Montreal.

Why not obtain full particulars to-day?

CREDIT-CANADA
Limitée
Established 1910

120 St. James St., Montreal

SEND ME CIRCULAR C-1

Name ....

Address ....

We trade in
UNLISTED
STOCKS AND BONDS
G. C. Williams & Co.
6 King St. W., Toronto
Phones: Adel. 1762-6048-4521

TELEPHONE "WARRANTS"

Bell Telephone new stock will be offered to shareholders at $100 per share, in the ratio of one new share for five old.

We should be glad to facilitate the completion of five-share units, by the purchase of shares or rights, so that holders may benefit by the attractive proportionate purchase at par.

We invite correspondence or personal calls.

Dickinson & Walbank
Members Montreal Stock Exchange
152 St. James Street, Montreal
MAIN 4090.
T. Kelly Dickinson, J. Y. K. Walbank, W. McLea Walbank.

Canadian National Railway

BONDS & DEBENTURES

WE OFFER C. N. R. FULLY REGISTERED DEBENTURES, maturing May 6th, 1930, at a price to return an increase in capital of

OVER 13% SIMPLE INTEREST
Per Annum for Six Years

THESE debentures are secured by a mortgage on Railways and undertakings owned and operated by the GOVERNMENT OF THE DOMINION OF CANADA.

THE profit on this investment is accumulative until May 6th, 1930, and as such is NOT SUBJECT TO INCOME TAX.

Orders received subject to confirmation or change in price. Write for particulars.

G. A. STIMSON & CO.
Limited
36-38 King St. E., Toronto.
Established 37 years

TRUST COMPANY BUSINESS GROWS IN HEALTHY WAY

Larger Assets and Earnings of Toronto General

The growing extent to which the trust companies are being employed as executors and financial agents is reflected in the annual report of the Toronto General Trusts Corporation, which not only shows an expansion of assets under administration to a marked extent, but a substantial increase in earnings, despite the rather trying financial period which is being experienced. The company's profit and loss statement shows earnings of $872,336, compared with $854,668 in the previous year, but administration expenses were larger, and net profits were shown at $325,326 compared with $340,723. However, in the previous year, in addition to income tax, $126,755 was written of and, as there was no corresponding item this year, the amount available for distribution amounted to $299,326, compared with only $183,969 the year before. Thus, $105,000 was added to the reserve fund, compared with $25,000 the year before, without interfering with dividends, and still leaving a substantial balance. Following are comparative figures:

	1923	1922	1921
Earnings	$872,336	$854,668	$873,964
Expenses	$547,010	$513,944	$501,365
Patriotic	......	......	3,350
Written off	......	126,755	60,443
Income tax	26,000	30,000	37,000
	$573,010	$670,699	$602,158
For distrib'n	$299,326	$183,969	$271,806
Prem. on stk.	......	......	204,857
Bal. forward	119,347	200,378	293,163
	$418,673	$384,347	$769,826
Dividends	$240,000	$240,000	$229,448
Int. on stock	......	......	......
Reserves	105,000	25,000	265,000
Balance	73,674	119,347	200,378
Premises	......	......	75,000
	$418,674	$384,347	$769,826

Seven Years' Record

Year	Paid-up Capital	xNet Profits	% Div.	Profits Av.Cap.	Earn Rate
1923	$2,000,000	$299,326	12	14.9	6.5
1922	2,000,000	183,969	12	9.1	4.0
1921	2,000,000	271,806	12	15.1	6.0
1920	1,726,960	287,646	11+1	19.1	7.6
1919	1,500,000	292,717	10+2	19.4	8.1
1918	1,500,000	266,369	10+1	18.0	7.6
1917	1,500,000	252,886	10	17.0	7.4

The guaranteed trusts account shows funds for investment to the amount of $10,325,117, which compares with $8,633,503 at the end of 1922. The estates, trusts and agency account shows that trust funds for investment or distribution to the extent of $39,016,468 were held. This compares with $36,410,813 under this heading a year ago. The inventory value of original assets of estates and agencies under administration by the corporation increased $4,300,000 to an aggregate of $83,768,884 at December 31, 1923. Under the guaranteed trust account mortgages are held to the amount of $7,063,658, comparing with $6,824,842 at the end of 1922. Securities together with mortgages amount to $10,325,117, comparing with $8,633,503 a year ago. Under the estates, trusts and agencies accounts it is shown that investments negotiated by the corporation amounted to $37,732,212, an increase of about $3,500,000 over last year. Original assets, including real estate, mortgages, debentures, stocks and bonds at inventory value, increased approximately $4,500,000 to $83,768,884.

The report is presented by Mr. Hamilton Cassels, vice-president of the company, who referred with deep regret to the death of Hon. Featherston Osler, K.C., the late president of the company, on January 16.

STOCK MOVEMENTS OF THE WEEK

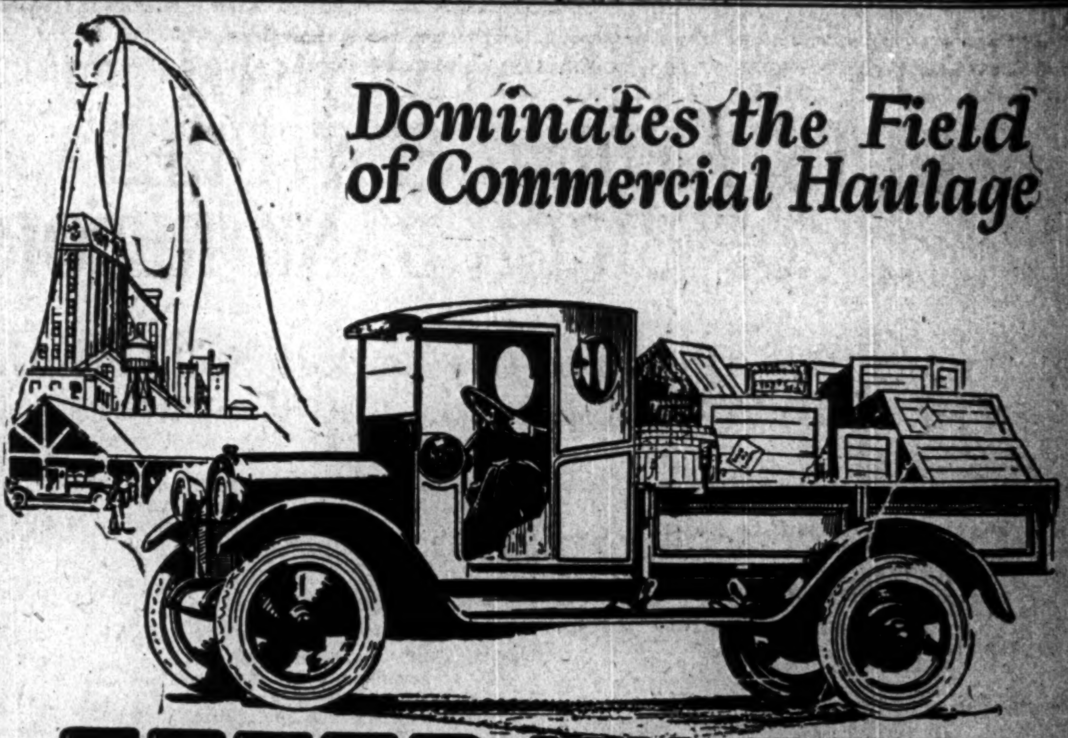
WEEK ENDING January 22

	Div. Rate	Yield Jan. 21	High For week	Low For week	Close Jan. 22	Close Jan. 15	Sales For week	Range High	1924 Low
Banks—									
Commerce	12+1	6.94	188	186	187	187½	46	188	184
Dominion	12+1	7.14	182	182	182	182	3	182	181
Hochelaga	10	6.66	150½	149¼	150	149	185	150½	143½
Imperial	12+1	7.46	175	173	174½	176	35	179	173
Molsons	12	7.79	156	153½	154	159	161	159½	153½
Montreal	12+2	5.80	242	239	240	245	253	248	239
Nova Scotia	16	6.40	250	249	249½	44	44	251	248
Royal	12+2	6.57	213¼	212½	213¼	212½	43	213¼	211
Standard	12	7.27	165	165	165	168	10	168	165
Toronto	12	6.77	177	176½	177	176½	45	177	175½
Union	8	7.54	106¼	105½	106	105	56	106¼	105
Paper—									
Abitibi, com. (no par value)	4	6.30	63½	62¼	63½	62½	1440	65½	62¼
Brompton Pulp (no par value)	....	....	40½	40	40	40¾	1777	42½	40
Laurentide	6	6.12	98½	91	97½	91	13445	98½	89½
Price Bros.	2	4.76	42	42	42	42	216	42¼	40½
Prov. Paper, com.	6	6.66	90	90	90	87	25	90	87
Prov. Paper, pref.	7	7.44	95	94	94	93	30	95	93
Smith, Howard, com.	6	9.09	66½	64	65½	65	208	68	64
Spanish River, com.	7	6.86	102½	100¼	101½	101¼	2215	103½	99¾
Spanish River, pref.	7	6.48	108½	106½	108½	107¾	1245	109	105½
St. Maurice Paper	6	5.30	113½	105	111½	106	2728	113½	105
Wayagamack	....	....	46	44	45	45	275	46	44
Steel and Steel Industries—									
B. E. Steel, com.	....	....	4	4	4	4½	94	4½	3½
B. E. Steel, 1st. pref.	7	12.96	54¾	54½	54½	55½	50	56½	54½
B. E. Steel, 2nd. pref.	....	....	15	13½	13½	15¼	670	16	13½
Can. Car & Foundry, com.	....	....	40½	38½	40	40	380	41	36½
Can. Car & Foundry, pref.	3½	8.04	87	86	87	86¼	1350	87¼	84½
Dominion Iron, pref.	7	12.72	55	55	55	55	25	56	54½
Dominion Bridge	4	5.88	68¼	67½	68¼	68	240	68½	65
Dom. Steel Corp., pref.	6	8.33	73	72	73	73	33	73	71½
Ontario Steel, com.	4	8.88	45	45	45	44½	75	45	43½
Steel of Canada, com.	7	9.21	76¼	75¼	75¼	75¼	1659	77½	75
Steel of Canada, pref.	7	6.86	102½	101½	102	101½	205	102½	100
Milling—									
Canada Bread, com.	....	....	71	70¼	71	72	170	73	66
Canada Bread, pref.	7	7.21	97	96	97	96	230	97	95
Lake of Woods, com.	12	6.93	173	170	170	170	11	173	167
Lake of Woods, pref.	7	5.93	118	118	118	118	40	118	118
Maple Leaf, com.	....	....	65	61¼	62½	61	76	65	60
Maple Leaf, pref.	7	7.69	91	91	91	87½	10	91	87
Ogilvie Flour, com.	12	3.80	315	315	315	320	105	320	315
Ogilvie Flour, pref.	7	5.96	117½	117½	117½	117	4	117½	116
St. Law. Flour, com.	6	8.57	71	70	70	70	85	73	70
St. Law. Flour, pref.	7	7.64	91½	91½	91½	90	20	91½	90
Utilities—									
Bell Telephone—Rights	....	....	4½	3¼	4¼	....	3075	4½	3¼
Bell Telephone	8	6.25	129¾	126¼	128½	129	1497	130¼	125
Consumers Gas	10	6.13	165	162	162	163	108	165	159½
Kaministiquia	8	7.14	112¼	112	112¼	113½	141	113½	112
Mackay, com.	7	6.08	115	114½	114½	115¼	322	116½	110¼
Mackay, pref.	4	5.88	68¼	67	67	67	178	68¼	66
Montreal, L. H. & Pr. Cons.	6	4.05	148¼	141	147½	145	11628	148½	140¼
Montreal Telegraph	8	7.69	52½	52	52	52	634	52½	52
Ottawa, L. H. & Pr.	6	7.27	82½	82½	82¼	81¼	40	82½	81
Quebec Power, com.	....	....	68½	68	68	68¼	222	68½	65½
Shawinigan	7	5.58	126½	124	126	124½	1126	126½	118½
Transportation—									
Canadian Pacific Rly.	10	6.62	152¼	150	151½	152	141	155	149¼
Canada Steamships, com.	....	....	13½	13	13	13¼	150	14½	12
Canada Steamships, pref.	....	....	43½	43	43	43¼	299	46	42
Tractions—									
Barcelona	....	....	15	15	15	16	50	16	15
Brazilian	4	8.88	46¼	44½	46	45	3425	48¼	41¼
Detroit Un. Rly.	6	8.51	70¼	70	70	70	311	72½	70
Duluth-Superior	....	....	35	35	35	34¼	35	35	33
Illinois Traction, pref.	6	6.81	90	88	88	90	25	90	87
Montreal Trams	10	6.41	156	156	156	159	55	159	154
Toronto Railway	....	....	82	81	81¼	80¼	735	83¼	80
Twin City, com.	6	8.95	68	67	67½	68	329	69	66
Winnipeg Elec., com.	....	....	29¼	27¾	28½	28¼	120	30	27¼
Winnipeg Elec., pref.	7	8.28	84½	84½	84½	84½	60	85	84
Textiles—									
Can. Conn. Cotton, pref.	8	10.00	80	79	80	....	168	80	79
Can. Converters	7	7.91	89	88½	88½	90	171	90	82
Can. Cottons, com.	8	7.33	109	109	109	109	440	111	109
Dom. Textile, com.	$4.00	6.25	64¼	63½	63½	65	340	66	63
Dom. Textile, pref.	7	6.54	109½	107	107	108	35	109¼	106¼
Monarch Knitting, pref.	7	8.53	82	82	82	82	10	81	80
Montreal Cotton, pref.	7	6.63	105½	105½	105½	105¼	10	105¼	104
Penmans, com.	8	5.29	152	151	152	152	95	152	150
Penmans, pref.	6	6.34	94½	94½	94½	95	10	96	94½
General Industrials—									
American Salesbook, com.	....	....	45	44¼	44¼	....	40	45	44¼
American Salesbook, pref.	7	7.60	95	92	93	91½	36	95	91
Asbestos, com.	....	....	31	30	30	33¼	353	33¼	25½
Asbestos, pref.	6	10.00	60½	59¼	59¼	60¾	159	62	57
Atlantic Sugar, com.	....	....	18	17½	17½	16	36	19	16
Bird & Son, pref.	7	7.86	89	88½	89	88½	16	89	88½
Burt, F. N., com.	10	7.35	136¼	135¼	136¼	136	115	136¼	134
Canada Cement, com.	6	7.00	85	84½	84¼	85	566	86	84½
Canada Cement, pref.	7	6.70	105	103	104½	104½	113	105	103
Can. Gen. Electric, com.	6	5.21	115	115	115	116	5	116	115
City Dairy, pref.	7	6.66	105	105	105	105	1[illegible]	105	104
Cuban Can. Sugar, com.	....	....	6	6	6	6½	1[illegible]	7½	6
Cuban Can. Sugar, pref.	....	....	40	33½	40	33¼	31[illegible]	40	33½
Dom. Canners, com.	....	....	32½	30½	32	30	350	32½	20½
Dom. Canners, pref.	7	8.18	85½	85	85½	85	95	85½	82
Dominion Glass, com.	7	6.66	107¼	103½	103½	105	2298	107¼	102½
Dominion Glass, pref.	7	6.73	104	104	104	104	181	104½	104
Dominion Stores, com.	$1.00	....	28¼	28½	28¼	28½	91	28¼	26½
Dominion Stores, pref.	8	9.52	84	84	84	84	17	84	81
Goodwins, pref.	7	10.07	69½	69½	69½	....	5	69½	69½
Goodyear Tire, pref.	7	8.75	80	80	80	81	35	81¼	80
Lyall Construction	....	....	16	16	16	13	5	16	13
National Breweries, com.	$4.00	7.27	55	54½	55	54¼	865	55¼	54¼
National Breweries, pref.	7	7.36	95	95	95	95¼	51	95¼	95
Pacific Burt, pref.	7	6.60	106	106	106	106	14	106	102
Rogers, Wm. A., com.	....	....	55	50	55	48	233	55	45
Rogers, Wm. A., pref.	7	7.95	88	88	88	88	13	88	86
Russell Motor, pref.	7	14.58	48¼	48	48	48¼	12	50	48
Sterling Coal	4	9.52	42	41	42	42½	80	43	41
Sherwin Williams, com.	6	5.45	110	109	110	110	258	110	109
Sherwin Williams, pref.	7	6.86	102	102	102	102	5	102	102
Tuckett Tobacco, com.	4	6.89	59	58	58	59	165	59	57
Tuckett Tobacco, pref.	7	7.44	94	94	94	95	10	95	92½
Woods Manufacturing, com.	....	....	67	67	67	....	10	67	67
Trust and Loan—									
Canada Landed	10+1	6.39	86	86	86	85¼	195	86	85
Can. Permanent	12	6.52	185	182½	182½	183	96	185	182
Colonial Invest. (Shares $10.)	6	9.29	6½	6½	6½	7	2	7	6½

UNLISTED SECURITIES

	Bid	Asked
Alta. Pac. Grain, com	98	102
Alta. Pac. Grain, pref.	87	89
Collingwood Ship., com.	45	58
Can. Machinery, pref.	20	25
Can. Mortgage & Inv.	65	..
Can. Oil, com.	39½	42½
Can. Oil, 8%, pref.	90½	93
Can. Westinghouse	131	135
Capital Life, 20%, pref.	22	26
Cockshutt Plow, 7%, pref.	42	44
Continental Life	25	..
Cosgraves Breweries	5	5½
Commercial Finance, pref.	60	..
Crown Life	98	..
Dom. Power, pref.	95½	97
Dom. Power, com.	38	40
Dom. Sewer Pipe, com.	..	28
Dunlop Tire, 7%, pref.	78	82
Durant Motors	6½	7
English Elec., com.	9	10½
English Elec., pref.	49	50
Excelsior Life, 26% pref.	33	..
Famous Players, 50%, com.	72½	75
Farmers Dairy	60	..
Great West Life	225	..
Gunns, Ltd., 7%, pref.	33	..
Hamilton Pantages, com.	2	..
Hamilton Pantages, pref.	42	..
Imperial Tobacco, com.	5	7
Int. Milling, pref.	93½	95
K. & S. Tire, pref.	24	26
K. & S. Tire, com.	75	1.00
Canada Starch, pref.	..	54
La Paz Oil	07	15
Lambton Golf Club	430	455
Loew's Buffalo, pref.	53	56½
Loew's Buffalo, com.	1	1½
Loew's Hamilton, pref.	40	..
Loew's London, pref.	6	6¼
Loew's London, com.	2½	3¼
Loew's Ottawa, pref.	19	24
Loew's Toronto, pref.	69½	73
Loew's Toronto, com.	40	45
Manitoba Power, com.	18½	20
Marconi Wireless	.75	1.00
Massey-Harris	..	35
Manufacturers Life	55	58½
Mercantile Trust	100	..
Mtge. Disc. & Fin.	..	10
Monarch Life, 10%, pref.	11	13
Neilson, Wm., pref.	95	..
National Brick, pref.	50	53
National Brick, com.	12	15
North Mex. Power, com.	7	10
Ont. Equitable Life	18	22
Robt. Simpson, 6%, pref.	88¼	90
Robertson, P. L.	15	25
Sterling Bank	88	91
Sun Life, 50%, pref.	173	..
Sun Life, 35%, pref.	130	..
Toronto Brick, com.	28	..
Toronto Brick, pref.	75	..
Toronto Carpet, com.	99	..
Trusts and Guarantee	68	71
Western Assurance	7	7½
Western Groceries, pref.	30	32
Willard's Chocolates, pref.	..	80
Famous Players, com.	7½	..
East Koot. Power, com.	21	..

Dominates the Field of Commercial Haulage



SPEED WAGON
REO

Almost 100,000 Speed Wagons are supplying haulage service in 263 lines of business, 100% satisfactorily.

Simply because it *delivers the goods quicker and cheaper* than any other method of motor haulage!

Figured any way, Speed Wagon *economy* is a tangible, provable factor.

There's a remarkably low initial price on the chassis,—and on any of the twelve standard bodies. So interest charges are naturally low.

Intake valves located in cylinder-heads; exhaust valves, offset; spark-plugs scientifically placed; cooled to the point where gasoline energy is converted into power instead of heat dissipated through the muffler—this motor not only develops tremendous power for its size, but reciprocating parts are built to sustain excessive strain.

Endurance for 100,000 to 500,000 miles of service is inbuilt in every Speed Wagon. A carrying capacity of 500 to 2500 pounds enables profitable pay loads and a low overhead.

In city delivery,—on the farm,—in passenger bus service,—in rural hauling,—in any business where commercial carrying is a factor, the Speed Wagon dominates.

Manufactured in the Big Reo Shops,—*not* Assembled!
Capacity, 500 to 2,500 pounds. *Twelve standard body styles.*

Reo dealers everywhere will tell you more about them, or our catalogue will be mailed on request.

REO MOTOR CAR COMPANY of Canada, Limited
Windsor, Ontario

Government, Municipal and Corporation Bonds
Enquiries Solicited
STEWART, SCULLY COMPANY, LIMITED
McKINNON BUILDING, TORONTO PHONE MAIN 5588

THE
MANUFACTURERS LIFE INSURANCE COMPANY
HEAD OFFICE, TORONTO, CANADA

GROWING BY MILLIONS

1923

New Business	52 Millions
Business in Force	246 "
Income	12 "
Assets	47 "

The amount set aside for the payment of Dividends to Policyholders in 1924 is the largest in the history of the Company.

Write for a copy of Annual Report.

SOUNDNESS AND STRENGTH OUTSTANDING FEATURES OF UNION BANK REPORT

59th Annual Report Shows the Bank in Solid Position with High Percentage of Liquid Resources.

The Fifty-ninth Annual Meeting of the Shareholders of the Union Bank of Canada was held at the Head Office in Winnipeg at 12 o'clock on Tuesday, January 15th, 1924. There was an unusually large attendance. The President, Mr. W. R. Allan, was in the chair.

DIRECTORS' REPORT

The Chairman read the Annual Report of the Directors as follows:—

The Directors have pleasure in presenting their report, showing the result of the business of the Bank for the year ended November 30th, 1923.

During the year one branch was opened and twenty-one branches and agencies were closed, as follows:—

OFFICES OPENED

Province of Alberta—1, Brule Mines.

OFFICES CLOSED

Prince Edward Island—1, Charlottetown.

Province of Nova Scotia—1, Kentville.

Province of Ontario—4, Blenheim, Canboro, Rodney and Westport.

Province of Manitoba—6, Carroll, Morris, Rosebank, Sandy Lake, Solsgirth and Winnipeg (Ellice Ave.).

Province of Saskatchewan—4, Dummer, Jansen, Keystown and Saskatoon (West Side).

Province of Alberta—4, Bentley, Lundbreck, Swalwell and Waterways.

London, Eng.—1, London, Haymarket.

The number of branches and agencies in operation at the close of business on November 30th, 1923, was 344.

The number of staff employed at the close of business on November 30th, 1923, was 1,938.

The usual inspection of all branches and agencies has been made.

Mr. M. Bull was appointed Vice-President and Mr. J. W. Hamilton, General Manager, to fill the vacancies caused by the resignation of Mr. H. B. Shaw, who held the dual position.

The vacancy caused by the resignation of Mr. D. N. Finnie was filled by the return of Mr. R. T. Riley to the Bank's Directorate.

W. R. ALLAN, President.

Winnipeg, January 15th, 1924.

PROFIT AND LOSS ACCOUNT

Balance at credit of account, 30th November, 1922	$483,175.55	
Transferred to Contingent Reserve Account, 19th June, 1923	331,910.69	
		$ 151,264.86
Net profits for the year, after deducting expenses of management, interest due depositors, reserving for interest and exchange, and making full provision for all bad and doubtful debts, have amounted to		1,033,432.15
		$1,184,697.01
Which has been applied as follows:—		
Dividend No. 144, 2½ per cent., paid 1st March, 1923		200,000.00
Dividend No. 145, 2½ per cent., paid 1st June, 1923		200,000.00
Dividend No. 146, 2 per cent., paid 1st September, 1923		160,000.00
Dividend No. 147, 2 per cent., payable 1st December, 1923		160,000.00
Contribution to Officers' Pension Fund..		10,000.00
Dominion Government Taxes:—		
War Tax on Bank Note Circulation, and Reserve for Income Tax............		137,622.28
Balance of Profits carried forward.....		317,074.73
		$1,184,697.01

ASSETS

Gold and Silver Coin....	$1,108,196.90	
Dominion Government Notes	8,977,191.00	
		$ 10,085,387.90
Deposit with the Minister of Finance for the purposes of the Circulation Fund		396,000.00
Deposit in the Central Gold Reserves.		2,800,000.00
Notes of other Banks..............		743,215.00
United States and other Foreign Currencies		42,761.27
Cheques on other Banks............		4,192,561.55
Balances due by other Banks in Canada		97,514.22
Balances due by Banks and Banking Correspondents elsewhere than in Canada		1,818,572.22
Dominion and Provincial Government Securities not exceeding market value		16,194,856.43
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian not exceeding market value..........		7,035,660.77
Railway and other Bonds, Debentures and Stocks not exceeding market value		3,505,471.06
Call and Short (not exceeding 30 days) Loans in Canada, on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover		1,096,035.25
Call and Short (not exceeding 30 days) Loans elsewhere than in Canada, on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover............		462,181.51
Demand Loans in Canada secured by grain		9,407,471.93
		57,877,689.11
Loans to Governments and Municipalities		7,219,529.68
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts............		53,488,949.19
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts		2,484,836.72
Real Estate other than Bank Premises		252,855.86
Mortgages on Real Estate sold by the Bank		407,529.60
Non-Current Loans, estimated loss provided for		701,266.64
Bank Premises, at not more than cost, less amounts written off..........		2,377,507.39
Liabilities of customers under Letters of Credit, as per contra		1,329,993.94
Shares and bonds of and loans to controlled companies		2,149,744.00
Other Assets not included in the foregoing		9,777.23
		$128,299.679.36

NOTE—Bonds of the Canadian Realty Corporation, Ltd., to the extent of $2,550,000, secured on premises leased to the Bank, are in the hands of the Public. These Bonds do not appear in the above Statement as the Bank is not directly liable therefor.

LIABILITIES

Capital Stock		$ 8,000,000.00
Rest Account	$1,750,000.00	
Balance of Profit and Loss Account carried forward	317,074.73	
	$2,067,074.73	
Unclaimed Dividends	6,160.68	
Dividend No. 147, payable 1st December, 1923	160,000.00	
		2,233,235.41
		10,233,235.41
Notes of the Bank in Circulation	10,357,650.00	
Deposits not bearing interest	28,179,661.01	
Deposits bearing interest, including interest accrued to date of Statement	67,441,589.77	
Advances under the Finance Act	8,100,000.00	
Balances due to other Banks in Canada......	565,760.01	
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries.	2,090,234.22	
		116,734,895.01
Letters of Credit outstanding........		1,329,993.94
Liabilities not included in the foregoing		1,555.00
		$128,299.679.36

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the above Balance Sheet and compared it with the books and vouchers at Head Office and with the certified returns from the Branches.

We have checked in the cash, and verified the securities representing the investments of the Bank, at its Chief Office and principal Branches at a date other than that of the verification at the Chief Office on the 30th November, 1923, and found that they were in agreement with the entries in the books of the Bank relating thereto.

We report that we have obtained all the information and explanations we have required, that in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank, and that in our opinion the above statement discloses the true conditions of the Bank and is as shown by the books of the Bank.

T. HARRY WEBB, E. S. READ, Auditors.
of the firm of
GEORGE A. TOUCHE & CO.,
Winnipeg, 19th December, 1923.

W. R. ALLAN, President.
J. W. HAMILTON, General Manager.

PRESIDENT'S ADDRESS

To the Shareholders of the Union Bank of Canada.

It gives me much pleasure on behalf of your Directors to welcome so large a number of Shareholders to this, the Fifty-ninth Annual Meeting of the Bank.

In looking back on our history one finds a great preponderance of prosperous experiences, but the pages are not free from occasional setbacks and reverses and, in this respect, I take it that we do not differ from other business institutions of similar age.

During the last year, as you are aware, we found it necessary to make readjustments in the Bank's figures in order to conform to the shrinkage of values which followed the post-war economic disturbances.

We all earnestly hope, and indeed are confidant, that the experiences of the Banking and Commercial world since 1920, when deflation set in, will not be repeated, and we feel sure that, freed from such, with ordinary results in production and marketing of both manufactured and agricultural products, the business of the country will enter into a period of strong normal health from which we, in common with others, will greatly profit.

I am glad to be able to inform you that our experience since the readjustment justifies the expression of confidence contained in the circular issued to you at that time. This experience is largely founded on recoveries that have been made and, in some cases, an appreciation of assets. From these facts we do not hesitate to repeat that expression of confidence which was then conveyed to the Shareholders.

The Directors desire to express their appreciation of the manner in which their action in June was received by the Shareholders, the Press and the Public, and particularly by customers and business associates, resulting, in many instances, in the strengthening of valued connections.

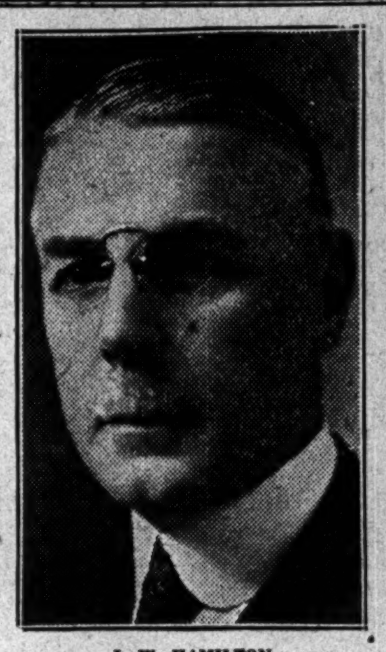
The policy of economy referred to in my circular letter of June has received the close attention, both of the Directors and Executive Officers, with satisfactory results.

It is a matter of gratification to the Board that in a year which has been filled with trials and difficulties for business of all kinds and particularly for Banks, our Profit and Loss account, after making full provision for all bad and doubtful accounts, at the end of November 30th last carried a credit balance of more than double that shown in the readjustment in June.

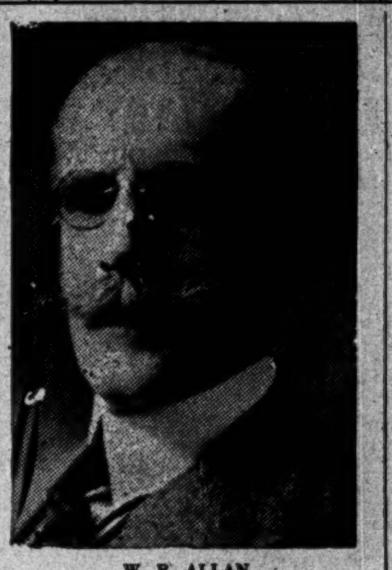
General

I shall now deal with topics of a more general nature and shall later follow the usual procedure in calling upon the General Manager to address you on the details of our Balance Sheet and other matters.

I think it may be confidently said that, taking the country as a whole, business in Canada has improved during the past year. Prices have been more stable. Unemployment has lessened considerably—and that is a sure sign of better business. Manufacturing interests have done fairly well. Building activity has increased.



J. W. HAMILTON,
General Manager of the Union Bank of Canada, whose annual report appears in this issue.



W. R. ALLAN,
President of the Union Bank of Canada, whose 59th report shows net profit on year's operations of over one million dollars.

Our mineral output continues to grow, is capable of great development, and this industry is full of promise for the future. The pulp and paper industry, of paramount importance in our export trade, is doing well, and the same applies to lumber.

We have been favored with good crops and the three prairie provinces have certainly produced more wheat than ever before in their history. Of the three, Alberta stands out pre-eminently this year with approximately one hundred and seventy million bushels, or an average of twenty-eight bushels to the acre—a figure without precedent.

The problem of restoring the equilibrium in prices between what the farmer gets for his produce and what he consumes has not yet been solved but it has been offset to some extent this year by the wonderful crop in Alberta and a great portion of Saskatchewan as well. Unfortunately, conditions in Manitoba are not so favorable, as rust and blight took heavy toll in this Province.

The outlook for the livestock industry seems to be better than for some time past. During the last Autumn, large numbers of cattle were thrown on the markets, with a resultant drop in prices. Those who took advantage of this opportunity to buy and ship the cattle back to the farms for feeding will probably be well repaid for their venture owing to the advance in prices which has taken place since the first of the year. There is a strong demand from Great Britain for good, healthy steers for finishing purposes, due largely to the depletion of herds there through the foot and mouth disease. Entire herds have been slaughtered, leaving large quantities of feed in farmers' hands. Canadian cattle are in favor on account of their health and vigor, and it looks as though we might expect a tendency to higher prices.

Foreign Trade

The figures for the eight months ending November 30th last, which are the latest available, may be regarded as distinctly favorable, showing an increase of about fifteen per cent. over the previous year, and this increase has been more one of quantity than of price. Figures for two years show an increase of about thirty per cent., a somewhat remarkable showing in view of the disordered state of European markets.

Nevertheless, there are some features which are not all we could desire. Analysis of our trade with the United States shows that we imported from that country in 1923 goods valued at $620,000,000, and exported to it goods valued at $411,000,000, leaving a balance against us of $209,000,000, in other words during the year we bought from them $70 worth of goods per head of our population, while they bought from us $4 worth of goods per head of their population.

The explanation, of course, is that they maintain a high tariff wall against us and when one considers the sum we pay to them for goods added to what we pay for interest on bonds, it is quite clear that they have much the best of the bargain, but, taking our export trade as a whole, the situation is distinctly encouraging. We now stand third among all the nations of the world in export trade according to our population. In total trade we stand fifth.

European conditions are still such as to cause anxiety.

In view of the new provisions in the Bank Act prohibiting two members of one firm from acting as Auditors, we regret that Mr. T. Harry Webb, who has been one of the Bank's Auditors for the past ten years and whose work has been carried out with a high degree of efficiency, is not eligible this year. We recommend the reappointment of his colleague, Mr. E. S. Read, and the appointment of Mr. A. B. Brodie, of the firm of Price, Waterhouse & Company, to fill Mr. Webb's place.

I wish to place on record the deep sense of gratification and pleasure which the Directors feel in once more having Mr. R. T. Riley as a Member of the Board. He is rendering a great service to the Bank as Chairman of the Executive Committee of the Board.

There will be submitted for your approval a by-law reducing the number of Directors from twenty-two to twenty. There is already one vacancy on the Board, and I have been asked by Mr. S. E. Elkin, of St. John, N. B., to say that he does not wish to offer himself for re-election as a Director, as he feels that he cannot give the necessary attention to the Bank's affairs.

In conclusion: I think we have been prone of late in Canada, and perhaps particularly in Western Canada, to exaggerate our difficulties and to overwork pessimism. I make no apology for again emphasizing my belief that many of our troubles are of our own making and that not the least of them is an excess of restrictive and ill-considered legislation. Further, we are living in an extravagant age, and few of us are paying sufficient attention to those virtues of economy and thrift which were characteristic of our forebears. A proper appreciation and practical application of them throughout will go far toward hastening the lessening of taxation and thus make the country more attractive to newcomers and to those already here. Conditions fundamentally are better in Canada than a year ago. No country is richer in natural resources, and the development of these will gradually lead to an era of more general prosperity, provided we are guided by sound principles in the conduct of our affairs.

I would draw your attention to the fact that the Union Bank of Canada still retains its position as the fifth Bank in Canada in regard to the total assets under its administration; that it is now as well if not better organized than it ever was, and fully capable of holding that position and doing its share in helping to carry on the Trade and Commerce of the country. In addition to this, it is a good profit-making piece of machinery and in the future as in the past its development will follow the fortunes of the Dominion of Canada whatever they may be. Having set our house in order, and with a full realization of the opportunities which will present themselves for legitimate and conservative expansion of our business we are facing the future with a confidence which we believe time will prove to have been well founded.

GENERAL MANAGER'S ADDRESS

Mr. Chairman, Ladies and Gentlemen:

The year through which we have passed has been one of the most difficult in the history of banking in this country. Most of the political and economic problems which have come to us as a legacy of the war are still showing their inevitable results.

There is no sovereign remedy in legislation for these problems, nor can any banking system save a community harmless in face of a world-wide shrinkage in values. Nevertheless, the effects have been less severe in Canada than almost anywhere else, and we can point to many healthy signs on the threshold of the coming year. Speaking generally, the country has been blessed with bountiful crops, particularly in the West; there are sure signs of further development of our natural resources, and a distinct tendency to manufacture more of our raw materials into finished products.

Our people have shown their ability to subscribe liberally to domestic Governmental loans, and with a cessation of that demand there should be still further capital available for the development of industrial enterprises.

The decennial revision of the Bank Act took place early in the year. In a period of reconstruction and adjustment, when every system is challenged, our Chartered Banks bore their full share of criticism and attack. A number of amendments to the old Act were passed, some of which would appear to be constructive and practical, although greatly increasing the responsibility of Executives. I refer more particularly to the amendments made in respect to the Auditors and changes in the Returns made monthly by the Banks to the Dominion Government. These appear to be in the interests of shareholders and the public. It may be said, however, that the prolonged and exhaustive discussions in Committee of the principles underlying the Act merely served to confirm the practical wisdom and general efficiency of our banking system and its ability to meet the commercial requirements of the country.

In presenting the Balance Sheet and Accounts for the past year, I shall, in accordance with the usual practice, give you the explanations necessary.

The paid-up capital on 30th November, 1922, was $8,000,000, in which figure there has been no change.

The President has referred to the facts covering the readjustment of the Bank's reserves in June last, and I will only add that the vital importance of steadily rebuilding the Rest Account is fully recognized. It stands now at $1,750,000.

Circulation

The first item of our liabilities to the public, our notes in circulation $10,357,650, shows a slight increase over last year's total of $9,727,649, due almost entirely to the heavy and rapid movement of the crop. The amount in excess of capital is covered by a deposit of $2,800,000, in the Central Gold Reserve.

Balances due to Banks and Banking Corporations elsewhere than in Canada show a decline compared with last year of $4,543,310, due to a curtailment in Foreign business.

Deposits

The total deposits of the Bank on the 30th November last were $95,621,250, as against $108,249,876 at the corresponding date in the previous year, a net decrease of $12,628,626. This is accounted for by a reduction of approximately $3,300,000 in amounts due to Dominion and Provincial Governments, a decrease of deposit balances elsewhere than in Canada of approximately $2,300,000 and the balance, approximately $7,000,000 in deposits by the public. Some decline in both Current and Savings Deposits was to be expected under the disturbed conditions that existed during the year.

The activities of the Provincial Savings Banks in Ontario and Manitoba, capitalizing as they have public uneasiness, have had a disturbing effect on savings deposits in our Chartered Banks. Not the least effect of this unwise and uneconomic competition is the withdrawal of large supplies of floating capital from regular channels of trade and industry.

Advances Under the Finance Act, $8,100,000

This is a new heading amongst the items of our Statement as required by the amended Bank Act, in connection with which I draw your attention to the item Grain Loans $9,407,471.93 on the assets side of the Statement. The Finance Act has now become a permanent part of the machinery of finance in Canada and is of great economic value to the Banks, who can now keep funds permanently invested in first-class securities with the Government for temporary borrowings such as are required for the movement of the crop.

Investments

Turning to the other side of the accounts. To meet our liabilities to the public of $116,736,450 we held, including our deposit in Central Gold Reserves, cash, Bank Balances, and cheques for the Clearing $20,176,100 or 17 per cent., exhibiting a strong cash position. Dominion and provincial Government securities amount to $16,194,856, and show an increase of $1,379,369 over last year. Canadian and British securities have increased $335,310, and now stand at $7,035,660, while the amount of railway and other bonds $3,505,471 is higher by $1,255,627. These increases in readily available assets necessarily involve somewhat lower earnings, but there is no denying the comfort of their security in times like these. Other liquid assets, Call and Short Loans in Canada and elsewhere—always fluctuating items—and Demand Loans secured by grain aggregate $10,965,688, a reduction of $2,736,161 from the figures last year. The total of Immediately Available assets $57,877,698 is 49.58 per cent. of the Bank's public liabilities, and indicates that the Bank's strong liquid position has been well maintained.

Loans

Current Loans in Canada, including advances to Provincial Governments and Municipalities, after making full provision for bad and doubtful debts, aggregate $60,708,478 and are slightly less than a year ago.

As a result of the policy of consolidation, Current Loans elsewhere amount to $2,484,836, as compared with $6,809,340 last year, a contraction of $4,334,504.

Under the new and broader classification of non-current loans which replaces the old caption of Overdue Debts there have been placed accounts to the value of $701,266. It is perhaps superfluous for me to add that all advances have been classified in strict accordance with the amended Act and full provision made for any losses that might accrue.

Speaking of our loans as a whole, all ascertained losses have been provided for, specific appropriations have been made in the case of each doubtful account, where on careful and conservative valuation of securities there seemed reason to fear any loss.

Shares of and Loans to Controlled Companies, $2,149,744. This is a new heading in our statement as required by the amended Bank Act of June last, and represents the Bank's interest in the Canadian Realty Corporation, which is fully set out in the statement accompanying the Balance Sheet.

For the information of any who may not know, I would explain that the Canadian Realty Corporation owns most of the premises in which the Bank's Branches are carrying on business. These Branches are charged a rental which goes to provide interest, taxes, upkeep and sinking fund. The bonds outstanding in the hands of the public are being reduced at the rate of $100,000 annually, and therefore, as each year passes, the Bank's equity in the assets of the Corporation increases.

Profit and Loss Account

I pass now to the Profit and Loss Account. After deducting the charges of management and making full provision for all bad and doubtful debts, the net profits for the last year amounted to $1,033,432.15, or 10.40 per cent. on capital, rest and undivided profits. The balance brought forward from last year was $483,175.55, from which $381,910.69 was transferred in June last to Contingent Reserve Account. The remainder added to the profits left for distribution and allocation at 30th November, 1923, a total of $1,184,697.01, which was applied as follows: Dividends totalling 8 per cent., $720,000; Contributions to Officers' Pension Fund, $10,000; Reserved for Dominion Government Taxes, $137,622, and we carry forward the balance of $317,074.73.

In connection with our earnings, it may interest you to know that the average earnings of all the Canadian Banks as last declared amount to approximately .85 of 1 per cent. on the total assets of the Banks, the percentage of this Bank being .84. Our comparative position may, therefore, be regarded as satisfactory.

Although our profits in common with other Canadian Banks are slightly less than last year, they have been maintained at a figure which I

think cannot fail to be a cause of gratification to you.

While it has been found possible to make some very substantial reductions in our overhead and operating charges, the enormous increase in working expenses during recent years makes further economies our constant effort.

An item that absorbs a large part of our income is taxation. It will interest you to know that business taxes paid to Governments and Municipalities totalled $321,825.63, in addition to which we paid Municipal Taxes to an amount of $167,379.01. The grand total represents approximately 68 per cent. of the amount we were able to allocate to our shareholders in dividends.

The policy of heavy taxation upon business has already begun to show its repressive and unfortunate influence, and I have no hesitation in saying that our existing taxation is already dangerously near the point at which thrift, business enterprise and needful capital development become seriously impaired.

In furtherance of a policy adopted during the year we have closed during the twelve months, 18 Branches and three sub Branches, mainly in cooperation with other Banks in districts where local conditions did not warrant the duplication of facilities, and we have taken advantage of opportunities presented for consolidation at points where our resources could be employed more remuneratively. The total number of Branches now in operation in Canada is 344.

General

It is usual on this occasion for your General Manager to touch upon the general business situation in its broader aspects.

The outlook is distinctly more favorable than a year ago.

Western Crops and Agriculture

The Western Provinces, more particularly Alberta and Saskatchewan, harvested what will probably be a record crop. The preliminary estimates place the total yield as follows:

Wheat	452,503,169	bushels
Oats	386,825,295	"
Barley	61,540,140	"
Rye	24,376,560	"
Flax	7,198,026	"

The harvest was somewhat later than 1922, but the movement of the crop eastward has been rapid. From the 1st September up to the close of navigation, receipts at the head of the Lakes were 194,264,081 bushels of wheat and 231,053,799 bushels of all grains. The shipments from Fort William during the same period were 180,406,420 bushels of wheat and 213,266,474 bushels of all grains.

The growing shipments of grain from Vancouver are worthy of comment. In 1920 the quantity of grain shipped from that port was less than 1,000,000 bushels. The following year it increased to 7,000,000 bushels. In 1922, it was 20,000,000 bushels, and in view of the record crop in Alberta this season's shipments are expected to exceed 50,000,000 bushels. Although it is difficult as yet to make comparisons of costs, the Vancouver-Panama route may become a real competitor with the Atlantic ports and an important factor in regulating export costs.

Agriculture, our basic industry, is still feeling the effects of the uneven deflation. Agricultural prices are directly related to world influences and the most unsatisfactory feature in the situation is the existing disparity between the prices of farm products and manufactured commodities. The prosperity of our Western agriculture depends on price levels, lower production costs, and intelligent diversification, lessening the farmers' dependence on wheat.

It has been urged by a section of the Public that more abundant farming credit should be provided by Canadian Banks. The movement finds support in the additional credit facilities which have been established by the United States Government. I would like to say a few words about this.

The legislation in that country provided for the formation of twelve Federal Intermediate Credit Banks affiliated with the existing Federal Farm Loan Banks (somewhat similar to our Manitoba Government Farm Loan Association), and the lengthening of the term of agricultural paper eligible for rediscount at the Federal Reserve Banks. The Intermediate Credit Banks will not do business with individual borrowers. They are not really Banks but loan companies, each capitalized at $5,000,000, with power to issue debentures guaranteed by the Government, and their purpose is to rediscount agricultural paper for other lending agencies and to co-operate agricultural associations against marketable commodities. It is significant, however, that these new credit facilities are not being availed of by the farmers nearly as much as was expected.

While on this subject, I would like to refer for a moment to the serious handicaps imposed on the Banks and other lenders in our Western Provinces by legislation—often retroactive in its effects—which is destructive of the ranking and priority of mortgage security. Such objectionable legislation destroys the confidence of investors in a British country where the sanctity of contract is fundamental and the future of Western Canada can only be retarded by the withholding of the necessary capital for its development.

It may be that in the development of this Western Country some form of credit on longer terms will have to be provided to assist incoming settlers, but frankly, in view of the impedimentary legislation before referred to, it would seem that the various Provinces will have to supply the needed capital. It should not, however, be provided through the development of Provincial Savings Banks. Their funds consist of demand deposits, to meet which a substantial cash reserve should be held. If, however, funds were provided by the sale of term securities, the cost to the borrower would be less, and the deposits of the people would be available for commercial and agricultural credit.

Following the failure to secure a Compulsory Wheat Board, the project of co-operative marketing for grain growers has now taken definite shape in the formation of the Alberta Wheat Pool, whose membership is reported to comprise more than 40 per cent. of the 1922 wheat acreage of Alberta. Briefly, it is an attempt to apply what is known as the "Californian Plan" to the marketing of wheat, and the experiment will be followed with keen interest and judged by its results at the end of the season.

Essential among the things needed to stimulate the trade of the country is an increase in immigration of both capital and workers. While immigration during the past year has been double that of 1922, there has been a serious migration across the border.

Canada's foreign trade situation is encouraging. Our total exports for the twelve months ended November were $1,001,727,269, against $859,793,391, in the corresponding months of the last year. It is true that our imports in the same time have increased from $752,254,587 last year to $908,279,332, but the visible trade balance remains on the right side.

There is, of course, a marked diversity in the degree of business improvement which is now to be noted in various parts of the country.

In the Maritime Provinces, potato and root crops were unusually good, but the apple crop was substantially less than the previous year. The important fishing industry is feeling the effects of a poor catch and lower prices. Notwithstanding labor troubles early in the year, the production of coal has shown a steady increase and the year's output is estimated at 6,000,000 tons against 4,600,000 last year. Conditions in the lumber industry have been satisfactory and accumulated stocks have been well disposed of. Manufacturing concerns with few exceptions, have been more active and the iron and steel industry in Nova Scotia has shown some recovery.

In Quebec, crops generally were below the average and owing to the high costs of production, not wholly remunerative. There has been a decided improvement in the lumber industry, stocks have been profitably liquidated, and a continuance of favorable market conditions is anticipated. The asbestos mines are still hampered by a limited foreign demand, and the industry is going through a difficult period. Production costs are high and at present prices are low.

In Ontario, increased acreage was devoted to field crops and the yield was well up to the average. Livestock conditions show some betterment. In the mining industry considerable improvement is evident. Current production of gold is the highest in the history; silver output has increased, while nickel and copper mines have recovered their prewar activity. It is expected that when the complete figures are available the output of the metal mines for the year 1923 will exceed $45,000,000, as against $38,200,000 in 1922.

In both Quebec and Ontario the pulp and paper industry has made remarkable headway, and it is estimated that the total production of newsprint for 1923 will exceed 1,200,000 tons, which will constitute a new high record. Industrial conditions in both Provinces are spotty. The clothing trade has come through a trying year, while the boot and shoe industry has been little better. Automobile manufacturers are reported well occupied with export business. The textile industry is experiencing a slack time in nearly all its branches owing to the unfavorable raw material situation and external competition. There has been a marked revival of building in Eastern Canada and the volume of construction work in contemplation is encouraging. The volume of wholesale trade has been well sustained and there are evidences of improvement therein.

In Manitoba and Eastern Saskatchewan crop returns have been disappointing both in quantity and quality, and this is reflected in the quietness of retail trade. The position of the cattle trade as pointed out by the President, is hopeful. Wholesale trade is reported distinctly better and the volume and value of construction work is encouraging.

In Western Saskatchewan and Alberta, business is beginning to show the expected improvement as a result of the record harvest. The Alberta wheat yield is estimated to reach approximately 170,000,000 bushels. The coal mines of the Province are rapidly approaching capacity production, and it is expected that Alberta's total output of coal for the year will be 7,500,000 short tons, thus passing the record of approximately 6,900,000 short tons in 1920. Prospects of large oil production are good.

In British Columbia, business is showing a seasonable improvement. Farm crops are uniformly good, but returns are not yet satisfactory. The lumber industry is very healthy, and mills report a stronger demand from the interior and American markets. Considerable building is going on, especially in the larger cities. Mineral production has increased during the year, the output for 1923 being estimated at $39,700,000, an increase of $4,541,000 over the preceding year. Tourist travel is also becoming a feature of importance in British Columbia.

In conclusion, in regard to the Union Bank of Canada, let me remind you it has been a year of extraordinary difficulties met and surmounted, with a future full of promise. In this connection I wish to testify to the loyal support and unflagging efforts of every member of the staff, now numbering 1,934, for without their devotion to duty we could not have accomplished what we have.

Mr. F. E. Kenaston at this point gave an interesting review of business and agricultural conditions in the United States.

GENERAL PROCEEDINGS

Mr. W. R. Allan moved, seconded by Mr. Stephen Haas, that the report be adopted and that it be printed for distribution among the Shareholders.

It was then moved by Mr. W. J. Christie and seconded by Mr. E. F. Stephenson, that Mr. E. S. Read, C.A., of the firm of George A. Touche & Co., and Mr. A. B. Brodie, C.A., of the firm of Messrs. Price, Waterhouse & Co., be appointed Auditors for the ensuing year. (Carried).

It was then moved by Mr. R. R. Scott, seconded by Mr. L. J. Elliott, that a sum not exceeding $12,000 be set aside by the Directors for the remuneration of the Auditors, to be apportioned by them as may be deemed advisable. (Carried).

It was moved by Mr. W. H. Malkin, seconded by Mr. J. B. Waddell, that Mr. W. R. Allan, or failing him, Mr. M. Bull, or failing them, Mr. R. T. Riley, be appointed to vote on behalf of the Bank in connection with Companies which it controls. (Carried).

It was then moved by Mr. R. T. Riley, seconded by Mr. A. Hitchcock, that:

WHEREAS it is deemed desirable and expedient that the number of Directors of the Bank be decreased from Twenty-two to Twenty.

NOW THEREFORE the Shareholders of Union Bank of Canada in Annual General Meeting hereby enact as follows:

Section 3, of the By-laws of 17th of December, 1913, as amended by bylaw on 9th day of January, 1922, is hereby repealed and the following substituted therefor:

"The Board of Directors shall consist of Twenty, of whom three shall form a quorum."

It was then moved by Mr. M. J. Macleod, seconded by Mr. J. S. Hough, that the meeting proceed to the election of Directors for the ensuing year; and that the ballot for the receipt of votes be kept open until 1.45 p.m., or until five minutes had elapsed without a vote being offered, during which time proceedings be suspended.

The ballot having been cast, the Scrutineers subsequently reported that the following had been elected Directors for the year ending November 30th, 1924: Messrs. W. R. Allan, G. H. Balfour, G. M. Black, Hume Blake, K.C., M. Bull, B. B. Cronyn, E. L. Drewry, John Galt, S. Haas, A. Hitchcock, J. S. Hough, K.C., F. E. Kenaston, W. H. Malkin, R. O. McCulloch, Sir William Price, R. T. Riley, H. A. Robson, K.C., Wm. Shaw, Geo. H. Thomson and J. B. Waddell.

It was then moved by Mr. F. W. Drewry, seconded by Mr. D. McLaughlin, that the thanks of the Shareholders be tendered to the Honorary President, the President, the Vice-Presidents, and the Directors of the Bank for their valued services during the year.

Sir William Price said in reply:

"I am glad of an opportunity to say a few words for I speak as one who has knowledge of what has occurred to you as Shareholders of the Union Bank of Canada during the past year. All we who are interested in this Bank owe a very great and deep debt of gratitude to our President, Mr. Allan—so great, indeed, that I feel you ought to know of it. When it was evident last year that the position of the Bank was not what we had thought it was, Mr. Allan at once faced the situation and devoted all his time to solving it. He acted with such courage, tact and ability as to inspire the most unbounded confidence in his Directors. Gentlemen, Mr. Allan, during that trying time, proved himself one of the strong men of the Country, and Winnipeg should be proud to own him as a citizen. His honesty, his frankness, his singleness of purpose, courage and ability are a great asset to any Institution, and we may with confidence look to a bright future for the Bank under his guidance."

Mr. W. R. Allan and Mr. S. Haas also replied to the motion.

It was moved by Mr. G. H. Balfour, and seconded by Mr. B. B. Cronyn, that the thanks of the Shareholders be tendered to the General Manager, Assistant General Manager, Superintendents, Inspectors, Managers and other officers of the Bank for their services during the past year.

Mr. R. H. Baird, Assistant to the General Manager, responded on behalf of the staff.

The meeting then adjourned.

W. L. THORP, Secretary.

At a subsequent meeting of the newly-elected Board, the following officers were elected: Sir William Price, Honorary President; Mr. W. R. Allan, President; Mr. G. H. Thomson, Mr. Stephen Haas and Mr. M. Bull, Vice-Presidents.

CAR AND FOUNDRY HAS MORE BUSINESS

From Our Own Correspondent.

MONTREAL.—Canadian Car and Foundry brought its arrears on preferred stock dividends to 8¾ per cent. by the declaration of a dividend of 3½ per cent. this week. Of the declaration, 1¾ per cent. is a dividend for the first quarter of 1924, and the other half is to be charged against arrears. At the annual meeting on Monday, W. W. Butler, the president, said that the company entered this fiscal year on October 1 last with $7,500,000 of business on its books and has since booked four millions more. It is believed that it is the present plan of the directors of the company to continue through the rest of the year on the same basis as the above, and thus at the end of 1924 there will have been paid, in addition to the regular 7 per cent. on the preferred, a total of 7 per cent. on the arrears, leaving about 3½ still in arrears, which at that time might be cleaned up at one payment, and thus leave the path clear for something being done for common shareholders.

CHESLEY STATEMENT

The financial statement of the town of Chesley for 1923 shows the outstanding liabilities as $101,837, including bonds and other loans, and the sinking fund as $15,076. The total receipts for the year were $72,276 and the expenditures $70,531.

Pulp and Paper Securities

USE EMBARGO AS CLUB TO GET OUR PAPERS INTO U.S.A.

Now All Papers Except Newsprint Pay Big Duty

From Our Own Correspondent.

MONTREAL.—The Royal pulpwood commission continues its perambulating around the country, and meagre references to its work appear in the papers from time to time. Sometimes, when a witness makes an argument against the suggested embargo on pulpwood export, considerable publicity is given in the daily press. To date the newspapers have given practically only one side of the evidence. There has even been misinformation given. We have a Toronto newspaper writing a headline to the effect that all the witnesses before the commission at one of its sittings were opposed to the embargo, and reiterating the statement in the first line of its article. But the article itself quotes one of the most prominent of Canadian paper manufacturers as making out a strong case for the embargo. The dispatches concerning another sitting woefully mistated another paper manufacturer's stand for the embargo. At Ottawa, according to Edward Beck, secretary of the Canadian Pulp and Paper Association, there was virtual suppression of the protests of two witnesses against the American domination of the proceedings, which were wholly ignored in the press reports, and their evidence, favorable to an embargo, was given scant attention in comparison with the evidence given by the other side.

Two Suggestions Made

But, despite the paucity of fair information from the commission's proceedings, two facts stand out as suggestions that have been gathering in weight. One is the suggestion that if the embargo on the export of raw wood is not declared, an export tax of from 50 cents to $1 a cord should be charged on all unmanufactured wood shipped out of Canada. This would apply not only to pulpwood but to all sorts of timber. The money, it is suggested, might be ear-marked for forestry protection and conservation generally, but probably a better reason for such a tax would be that it would provide Canada with revenue to compensate in small measure for the profits to the country that are lost by allowing foreign mills and foreign workmen to convert Canadian timber into useful products.

Get Free Entry for Paper

Another suggestion is that Canada should use the embargo as a weapon to bargain for free entry into the United States of Canadian wrapping and high grade papers. Speaking before the commission, H. F. Bullard general manager of the Dryden Paper Company, made a strong argument along this line. He pointed out that his own company (which, by the way, is in receivership now) has had great difficulty in competing with United States mills who use Canadian woods. In part, his argument was as follows, and it deserves the attention of investors and business men:

After giving the history of the Dryden Company and referring to the difficulty of finding an outlet for the company's products, owing principally to the prohibitive American tariff, amounting to 25 per cent., Mr. Bullard said:

"The machinery in our mill is largely of United States manufacture. On all such importations, duty and sales tax has brought up the cost to us to 35 per cent. above the price paid for similar machines by our United States competitors. Where articles produced in Canada have been available, the effect of the tariff has brought the price up to practically the same as the U. S. price plus duty. The Canadian mill starts, therefore, with a heavy handicap as compared with its U. S. competitor in the greatly increased capital cost on which interest has to be paid. The United States mill also has the advantage in greatly reduced prices for coal, chemicals, machine clothing, repairs and general supplies; in fact, in all the items making up the cost of production with the single exception of wood.

"It would, therefore, seem reasonable for the Canadian Government to reserve for Canadian industry the one commodity (pulpwood) by means of which the Canadian manufacturer can overcome the handicap of higher costs which the tariff and the distance from sources of supply impose on his operations. If the United States mill is, however, allowed to continue competing against the Canadian mill in the purchase of pulpwood, we feel that some compensating advantage should be accorded to the Canadian mill and representations should be made to the United States government for the free entry into that country of all grades of paper produced, in addition to newsprint on which no duty is now imposed. Any action taken by the Canadian government will be justified from the viewpoint of protecting the heavy investments in the industry and the thousands of Canadian men now employed in this industry.

"In conclusion, therefore, we believe that if it is impossible or unwise for the Canadian government to put into effect an embargo on pulpwood from privately-owned lands, that strong representations should be made to the United States government to remove either wholly or in part, the tariff barrier now extant in order that Canadian industry can be placed in a position to compete with mills across the international border who are using Canadian wood. A more prosperous Dryden Paper Company will make a more prosperous community in this part of Western Ontario and will give the English and Canadian interests in the company some return on the large investment they have made."

Canada May Yet Produce "Cotton" From Its Forests

MONTREAL.—Canada should be vitally interested in watching the future development of "synthetic cotton." That such a product is bound to come to offset the decreasing supply of staple raw cotton is suggested by leaders of the cotton industry. Artificial cotton would likely be made, to a large extent, from wood fibres and Canada's large forest reserves would be a factor in bringing about establishment of cotton factories here if the process could be worked out on a commercial basis.

Canadian pulps are now being used to manufacture artificial silk, and, recently, announcement was made that a large British firm of artificial silk makers had decided to build a factory in Canada to utilize Canadian raw materials.

It may be recalled that during the war surgical dressings were used that were made from wood fibre, and a widely marketed product of a similar nature is also made from wood fibre.

EUROPEAN PAPER CLOSING U.S. MILLS

Market Flooded by German and Other Specialty Products —Newsprint in Demand

NEW YORK.—Closing down of International Paper Co.'s Winnipiseogee mill at Franklin Falls, N. H., is the result of the stagnant market for high-grade papers. Extreme dullness in this market has prevailed for several months and is caused by a large influx of German and other European specialty paper. There has been no curtailment of newsprint production, and such mills are operating close to capacity.

Daily output of mill at Franklin Falls is only 45 tons, and is entirely specialty paper. While the shutdown may be temporary, state of the market may necessitate curtailment at International's other high-grade paper mills. Dependence upon market conditions is great, as such paper mills have no facilities for storage of their output over a period.

International Paper's 1923 production is expected to total 540,000 tons of all grades of paper. Of this amount, newsprint will probably be a little over two-thirds. Last year, of a total output of 432,809 tons, newsprint constituted 63.1 per cent., or 273,935 tons. Record output was in 1916 with 533,492 tons total, closely followed by 532,000 tons in 1920, a record year for the newsprint industry in general.

CANADIAN NATIONAL EXPENSES WERE 92%

Mines Handled $21,000,000 More Business in 1923 Than in 1922

From Our Own Correspondent.

MONTREAL.—Canadian National Railways reduced their operating expense ratio from 99 to 92 per cent. in 1923, and changed an operating surplus of $2,480,000 to one of $20,127,000. The $20,000,000 surplus on operations is about $2,000,000 better than the $18,000,000 promised by the chairman, Sir Henry Thornton, shortly before Christmas.

While interest charges of various kinds have not been met prior to the determination of the amount of the operating surplus the improvement is substantial and probably more than the most optimistic Canadian would have phophesied early in 1923. The government lines are still far from paying their own way, but they were, in 1923, less of a drag on the taxpayer than in the previous year, the amount of the reduction in the burden being $17,650,000, less any increase in fixed charges.

It is significant that while gross earnings were increased $21,005,559 from 1922 expenses were increased by only $3,350,624. In other words, additional traffic to the amount of $21,000,000 was handled, with only a $3,350,000 increase in expenses.

This indicates to what an extent economies in operation have already been effected by a centralization of authority on the National lines, and it also gives some conception of the net earning power of the lines, when given a sufficient volume of traffic.

Comparative earnings figures for 1922 and 1923 are as follows:

	1923	1922	Inc.
	$	$	$
Op.rev.	254,662,447	233,656,888	21,005,559
Op.exp.	234,535,000	231,176,376	3,358,624
Net rev.	20,127,447	2,480,512	17,646,935

THE HOME BANK CHARGES

Adjournment for one month of hearing of the charges against the Home Bank directors and officials was made by Mr. Justice Riddell, on application of D. L. McCarthy, K.C., special Crown prosecutor, at the opening of the Winter Assizes at Toronto, this week. All the accused were again admitted to bail in the same amounts as those fixed at the last Assizes.

P. Lyall & Sons Construction Company, Limited
Toronto - Montreal - Ottawa

A Personal Service

It has been the aim of this Bank, since its inception, to be something more than a mere repository for funds. Its policy has always been to render a service both personal and interested to all its clients. Perhaps this fact accounts for the remarkable and steady growth of the Imperial Bank during the last 48 years.

IMPERIAL BANK
OF CANADA
OVER 200 BRANCHES IN DOMINION OF CANADA.
Agents in Great Britain: ENGLAND—Lloyds Bank Limited, London and Branches. SCOTLAND — The Commercial Bank of Scotland, Limited, Edinburgh and Branches.
IRELAND—Northern Banking Co., Limited, Belfast and Branches. Agents in FRANCE: Lloyds and National Provincial Foreign Bank, Limited, Credit Lyonnais.

The Wabasso Cotton Company, Limited
THREE RIVERS, P. Q.
Manufacturers of Fine White Cotton, also Spinners' Fine Counts of Yarns

CLARKSON, GORDON & DILWORTH
CHARTERED ACCOUNTANTS
E. R. C. CLARKSON & SONS
TORONTO MONTREAL
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST TORONTO

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada.
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

GOLD and SILVER STOCKS
BOUGHT SOLD QUOTED
LORSCH & CO.
Established 1898
MEMBERS
Standard Stock and Mining Exchange.
Phone Main 7417-8, 56-58 King St. W.
TORONTO, CANADA.

W. M. Forrest Draper Dobie
FORREST, DOBIE & CO.
STOCK BROKERS
Specialists in Mining
Phone: Adelaide 6411.
307 BAY STREET. TORONTO

TANNER GATES & CO.
Members Standard
Stock and Mining Exchange.
For Information re Baldwin Gold Mining Co. Write us.
300-1 Dominion Bank Bldg. TORONTO

KIELY & SMITH
Mining Brokers Bond Dealers
C. P. R. BUILDING, TORONTO.
Members Standard Stock and Mining Exchange. One of the oldest and most reliable Mining Houses.
Established 1906.

Hamilton Ont.
MINING STOCKS
E. J. Hammond & Co.
20 King St. East, Hamilton, Ont.

FRED M. FISHER
STOCK BROKER
UNLISTED SECURITIES
Member Standard Stock and Mining Exchange.
ADELAIDE 1821.
SIX JORDAN STREET, TORONTO.

Koontz, Hickey & Co.
MINING STOCKS
Our daily Bulletin on the Mining Market, supplemented fortnightly by our Publication, "The Mining Age." Free on request.
Adel. 4290-4480.
ROYAL BANK BLDG., TORONTO.

Mining News
COMMENCING the first of the year, we are issuing for the benefit of our friends and clients, a fortnightly market letter.
This bulletin contains dependable information on the various mining properties and our opinion as to the probable outcome marketwise.
Have your name placed on our mailing list to receive a free copy regularly.
F. G. OKE & CO.
Members Standard Stock Exchange
34 King St. East Toronto
Telephone: Main 4440-1

MINING NEWS FOR THE INVESTOR

ORGANIZING IN NORTH TO GET IRON ORE BOUNTY

Associations at Head of Lakes and Sudbury Formed

By D. E. CUSHING,
Mining Editor, The Financial Post.

FORT WILLIAM.—Ontario is going to be bombarded with information and data in regard to her iron ore possibilities. The object is to lead to the production of the ore, primarily. This in turn will result in settlements springing up all across Northwestern Ontario; will mean a general stimulus to trade from a section which is to-day almost unproductive of trade. It will provide a heavy tonnage for the railways and help reduce their draw on the Dominion's finances. It will mean many payrolls scattered across the north, and, finally, keep the $10,000,000 which is going out of the country annually for iron ore for expenditure at home.

To secure these objects an iron ore association is being organized. It started here, and is spreading. The Soo, greatly interested, has launched the Algoma Iron Ore Association. Toronto, Sudbury, North Bay, Sarnia, and many eastern centres, will follow.

The association will get behind the movement for a bounty first and then spread propaganda to interest speculative funds to go into the county and join in the hunt for profitable bodies of ore. The greatest optimism prevails here. They believe there is lots of high-grade ore in the county, and believe the expenditure of a small amount of money will reveal them.

The Soo district already has large deposits partially developed, and with the bounty their exploitation will soon start. At present, Canada is not producing any iron ore.

Lakeside Lorrain is Now Sinking a Shaft

This property, comprising about 120 acres, is situated on the eastern fault zone of South Lorrain. The sinking of the main shaft commenced on the 15th of this month. Satisfactory progress is being made.

Application for the listing of these shares has been made to the Standard Exchange and it is expected that the stock will be called in about two weeks' time. The company is amply financed and has every appearance of being able to carry on continuously with operations.

THIRD HOLE ABOUT FINISHED

Porcupine Grande is about through its third drill hole. The vein has been cut. This hole is 360 feet east of No. 2, and if values are as expected, it proves up quite a length of good-grade ore. No. 2 drill hole yielded 86 feet of ore, averaging $9. This gives a vein width of 15 ft.

EXPLORING ANKERITE

Porcupine Gold Fields Development Co., a concern financed in England, has several machines underground and three diamond drills working at the Ankerite property, southwest of Dome Mines. The shaft is down 300 feet. At the 300-ft. level, from 50 to 60 feet of lateral work is being done weekly. Altogether, 1,000 feet of drifting has been done at that horizon. A new shaft is being raised upon.

Hunton in Kirkland Lake is sinking a drill hole from 375 ft. level to 800 ft.

Good Trading Continued on the Mining Exchange

In the mining stocks on the Standard Exchange interest has been well maintained. During the past week, some 400,000 shares have changed hands daily. The lower priced stocks have continued at the same levels, while in the producers and near producers, good buying and a more general public interest have made towards increased values.

In the silvers, Everett reflected profit taking by dropping to 14. Keeley made a gain of 34 on the news of the striking of the Woods vein on the eighth level and by the pronounced buying of those close to the inside who believe an 8 per cent. dividend will be declared before the annual meeting in March. La Rose eased seven points which is probably as unexplainable as its recent rise, while Mining Corp. continued strong on the news of their encountering high-grade ore on their recent exploration of the Woods and Watson veins. Wettlaufer advanced sharply to 19 on the report that operations were likely to be resumed on the property, as yet there is no confirmation of this rumor from the company's officials.

In the golds, the big three remained practically unchanged. Vipond strengthened to 1.09 for a gain of over 10 points and was the feature of the week and Preston East Dome rose to 15 on the report that a deal might be possible with one of the company's claims.

The professional opinion appears to be that interest is well aroused and that the public are about to come into the market in a more marked degree. More buying of the cheaper issues is also in evidence as these stocks often present an opportunity for a quick turn.

Oxford Cobalt Mine Getting More Capital

Additional capital for the Oxford Cobalt Mine has been raised to a sufficient extent to insure the continuation of the development work on this mine. The capital was again raised on the conservative basis that has been followed from the start, largely from shareholders of London, Ontario, who recently met at dinner to talk over the situation as it stands at present on the property. A little later on there will be a dinner of the Toronto shareholders of the company.

Professor J. W. Russell gives some interesting news for shareholders—that at the present time cross-cutting is being done from the 150-foot level back to the contact. So far any real knowledge of the quality of ore on the 150-foot level is not available. If this ore is found to be richer than was the ore found on the 75-foot level, it will be possible to put the mine on a money-making basis during 1924. No mill will be constructed as the mine is situated so close to Cobalt that the ore can be treated there.

Schrieber Getting Busy Results by Gravity

Ore averaging $230, over one foot in width and being taken out by gravity, is what is occurring at the Schrieber Gold Mines, Ltd.

Here the company's property is situated on Schrieber mountain, close to the station, with two tunnels about 2,000 feet apart being driven into the hillside. The lateral work, which has all been in ore, totals 250 feet.

The operators at the mine are finding the same geological conditions as at the beginning at Kirkland Lake, bearing even the same minerals. If development proceeds as it has been doing, the taking out of the ore will be but a gravity proposition for several years to come, this will help greatly in keeping down the costs.

OPEN UP SECOND VEIN

The Mining Corporation this week opened up a second vein on the limit claims. This vein carries an encouraging amount of ore that makes the general situation of this company still more favorable.

OPTION ON WESTREE

It is understood that the option held by English interests on Westree expires on the 14th of February. In the meantime the property is under examination.

GOOD RISE IN VIPOND

In the street, it is felt that the recent rise in Vipond is only a reflection of the good developments at the mine. It is believed that the ore above the 733-ft. level is alone equal to more than twice the company's capitalization so that in the present "buyers' market" it is but natural that a more general realization by the public of the reported values behind Vipond should result in an increased price for the stock.

PROGRESS ON DAVIDSON

The incline shaft on Porcupine-Davidson is down 275-ft. It should reach 500 ft. by March. The new mining plant is being put in place. A new Rand compressor is being turned over, and it is to be in steady operation in a few days. A new double-drum hoist will be operating. It is expected to make much more rapid time with shaft-sinking when this is operating and have the shaft at 1,000 feet in the summer at that depth. The shaft will be close to the vein system as explored by diamond drilling. No lateral work will be attempted until the shaft reaches that depth.

SILVER AND OTHER METALS

Jan.	18	21	22	23
Silver—				
London	33¼	33 11/16	33⅞	33⅝
New York	63¾	63	63¼	63¼
Copper	12¼	12¼	12⅜	12⅜
Lead	7.90	8.25	8.00	8.00
Zinc	6.—	—	6.50	6.50

MINES MINISTER SHOULD ATTEND MINING CONGRESS

Hon. Chas. McCrea Has Opportunity for Splendid Missionary Work

Hon. Chas. McCrea, Ontario's minister of mines, expects Ontario's gold output to total $25,000,000 this year. Evidently the minister has been doing some close figuring. Three new producers at least will contribute to the increase that 1924 will see over the 1923 total of around $21,000,000.

The publicity which the minister is giving to the mining country is a matter of considerable comment in mining circles. In this regard, it might be suggested that the minister lay his plans to go to England in June. The British Empire Mining Congress meets in London, June 24. The Pre-Cambrian area will be the leading topic of discussion. Right now Ontario occupies the centre of the pre-cambrian stage. The minister could do a wonderful missionary work for the province at this convention. He could do much in influence the needed capital to come to Canada. Perhaps it would be just as well were he to take along his deputy, Mr. Thos. Gibson, who could answer technical questions and give statistics, while the minister would be busy about other things. Questions are bound to arise following addresses on the mineral possibilities of the north. If Mr Gibson cannot get away, perhaps the Ontario Mining Association could spare Balmer Neilly.

McIntyre Earned 95 Cents Share in 6 Months

McIntyre earned 95 cents a share in the first half of the fiscal year, or 20 cents a share above the year's dividend of 75 cents a share. The second quarter was much the best, earnings running 57 cents a share, as compared with 38 for the quarter starting June 30. These returns were struck without depreciation allowance.

Gross recovery for six months was $1,545,933, or about $700,000 below the 1922 total. Net earnings, $692-748 compare with $919,166 for 1922. It is interesting to note that the heavy production of the second quarter of this year was not marked by a corresponding jump in costs.

The figures:

	1st quar.	2nd.	6 mos.
Gross rec.	$681,038	$864,895	$1,545,933
Costs	407,550	446,628	854,179
Operating Earn's.	273,488	418,267	691,754
Other Rec.	18,780	22,393	42,193
	293,288	440,660	733,947
Less taxes	15,739	25,640	41,199
Net before Dep.	$277,548	$415,200	$ 692,748

Night Hawk Listed on the Toronto Exchanges

On both the standard exchange and the unlisted department of the Toronto exchange. Night Hawk was called for the first time this week at 90-91. The company is down 485 feet in all, with a lowest working level at 425 feet. Over 4,500 feet of lateral work has been done, which has placed in sight enough "mill-fodder" for four or five years, it is claimed. The ore, although not as high grade as obtained in the Kirkland Lake district, compares favorably with that in Porcupine.

The mill started to tune up in the latter part of December, and is now producing satisfactorily and continuously, treating ore averaging $10 a ton. Although the present capacity is 150 tons, yet the machinery is designed for 200 tons, and it is hoped to reach this tonnage shortly.

Mining Stock Quotations

Week Ending January 22

	High	Low	Close Jan. 22	Close Jan. 15
Apex	2⅝	2½	2⅝	2½
Algonquin	2½	1½	1⅞	1½
Argonaut	59⅝	54	56	58½
Baldwin	6½	5¼	6½	5⅛
Beatty	6⅝	5	5	5
Beaver	34½	29¼	32⅝	30½
Bidgood	15¼	12½	12½	14½
Atlas	4½	4⅛	4¼	4
Buckingham	4½	4	4½	5
Castle Treth.	65½	62	64	63½
Beatty rts.	4	3¼	3¼	3½
Chaput Hughes	5	3⅝	3⅝	5
Coniagas	2.25	2.15	2.15	2.25
Cons. Smelters	38	34½	37⅝	34½
Cons. W. D.	28	25½	26¼	28
Clifton	6	5½	5⅝	6
Cr. Res.	75½	73½	75	74⅝
Davidson	6	5	5	4
Dome Mines	20.25	19.25	19.25	19.55
Everett	15	13½	14¼	15
Gold Reef	2½	2¼	2⅝	2¼
Goldale	49½	46⅝	47⅝	49½
Hattie	10	7⅝	7½	9½
Indian	66	61	61½	65¼
Hollinger	12.55	12.20	12.41	12.30
Hunton	7½	6½	7	7
Keora	9¼	8½	9	9
Keeley	2.30	1.96	2.29	1.96
Lebel Oro	30¼	30	30	30
Kirkland Lake	27	22½	25½	24
La Rose	25	23	24	26
Lake Shore	3.62	3.56	3.62	3.60
Lorrain, T.	1.10	1.08	1.08	1.12
Montreal, Ont.	20	18	18	18
Lorrain	15½	13½	14½	14
McIntyre	18.35	17.65	17.65	17.80
McK.-Darr.	12⅝	12¼	12¼	12½
Mining Corp.	3.35	3.10	3.33	3.07
Moneta	22	21	22	22
Newray	43	41	41½	43
Nipissing	6.35	6.10	6.30	6.15
Ophir	4⅝	2	4¼	1⅝
Night Hawk	92	90	91	—
Pete. Lake	10⅞	10	10¼	10⅝
Porc. Crown	10	10	10	10
Preston	15½	12⅞	15½	12⅞
Tough Oakes	67	65	65½	66
Teck Hughes	1.28	1.21½	1.27	1.25
Timiskaming	32	31½	32	32
Thomp. Krist	6⅝	5¼	6	6⅞
Trethewey	10	9	9	10
Trout Lake	1.18	1.10	1.16	—
Vickers	23½	21¼	22	22
Vipond Cons.	1.09½	93	1.07	97
Wakenda	8½	8	8¼	8½
Wasapika	3¼	3	3¼	4
West Tree	6½	6	6	6½
Wettlaufer	18½	13	18½	12
Wright Har.	3.06	2.90	2.90	3.05
New York Prices				
Inter.				
Nickel, com.	13⅝	13	13½	13½
Do., pref.	80	80	80	80

MINING SPECIALISTS
Our experience covers every mine and every prospect in the gold and silver camps of Ontario.

MARKET DESPATCH
Our Weekly Review of Mines and Mining is accepted as the Standard of its class.

Arthur E. Moysey & Co.
EST. 1904 LIMITED
242 BAY STREET - TORONTO

PRIVATE WIRES
We maintain a private telegraph wire linking the chief mining centres with our head office.

SERVICE
As we have nothing to sell but service, we give it every possible value that we can devise.

The Current Issue of
Gibson's Fortnightly Mining Review
is not only a complete review of the events of 1923 in Northern Ontario mining, but a forecast of probable progress for 1924 as well
A copy should be in the hands of every holder or prospective purchaser of the mining shares.
If your name is not already on our mailing list, write for your free copy today
Homer L. Gibson
AND COMPANY
Bank of Hamilton Bldg. Toronto

"Timely Talks on Mining"

By

Irving J. Isbell

TALK NUMBER TWENTY-TWO

In several of my talks on mining recently I have made reference to the new gold fields of Quebec, and I have pointed out that Rouyn looks just as big or even bigger than Porcupine did at the same stage of development. In this article I am going to tell something about the discoveries made in Rouyn because I think it is only fair to readers that it should be impressed upon them that Rouyn offers big opportunities at this stage—in fact, I think there is just as good a chance to make big profits in Rouyn as there was in Porcupine.

Now I realize that this is a broad statement, because original shareholders in some of the Porcupine mines have had their total investment paid back in some cases as high as twenty times over. For instance, the original Hollinger stock sold at $3.50 per share is now worth $50 and has brought $28 in dividends, making $78 from an investment of $3.50. This does not take into account future dividends or further appreciation in market value.

I am citing the case of Hollinger to show just what I mean when I say that the chances for making money in the new Rouyn gold fields of Quebec look every bit as good as those in Porcupine a few years ago.

Just to show that I am not over-rating the possibilities of Rouyn, I will quote an article which recently appeared in a Boston paper.

"Memories of Klondike and California in 1849 are expected to be revived by the looked-for rush to the gold-fields of Northern Quebec, which according to mining authorities who have visited the region, is likely to eclipse anything seen in any gold fields in the world since King Solomon despatched his legions to unearth the fabulous wealth of Ophir.

"A party of American mining engineers returned to Montreal a few weeks ago after a close inspection of the area in the Abitibi and Temiskaming district, in which gold ores have been found and in which hundreds of claims have been staked. They were unanimous in agreeing with the opinion that the gold fields of Northern Quebec and Ontario are the richest in the world; that their value is inestimable; that they will be an unparalleled aid to agriculture and colonization; and that so far the surface has only been scratched."

These are strong statements and yet if I had the space I could go on quoting from independent sources columns upon columns of similar strong statements, made by some of the best mining engineers and practical mining men in Canada and the United States.

I have talked with mining men who have seen the "finds" on the Chadbourne, Horne, Powell, Rouyn Gold Mines and other properties, and they tell me that nothing like them has ever been opened in Canada before at the same stage of development. When practical mining men who have been in all the mining districts of Northern Ontario and many of the other big camps of the world, get as excited about a new district as they are now about Rouyn, it stands to reason that there must be something pretty big there.

But the best evidence that I know of, showing the possibilities of Rouyn, is the fact that so many of the big mining companies of Ontario and many of large United States operators are heavily interested in Rouyn. The big mining people have their scouts all over the field picking up good-looking property.

One of the best-looking properties is that owned by the Rouyn Gold Mines and I believe anyone who buys stock in this company now stands to make a lot of money.

On the Rouyn Gold Mines property, surface exploration started only five months ago has uncovered fourteen good looking veins. One vein shows a width of 60 feet while assays taken from a fifteen-foot section of this vein gave a return of over $13 per ton in gold. Another vein gave assays of over $18 a ton. All fourteen veins lie in a faulted zone or line of weakness, geologically speaking, which has been described as one of the main "breaks" of the camp. This company has two miles of this faulted zone on its properties, equal in length to the whole of the producing section of Kirkland Lake.

The great possibilities of Rouyn Gold Mines are shown by the fact that recently large United States interests made a definite offer of $800,000 for a controlling stock interest which was better than 50 cents a share for the stock, and the shareholders at a special meeting in Montreal declined the offer on the advice of Mine Manager Cooper.

On its surface showings Rouyn Gold Mines is a wonderful prospect, and if history repeats itself, these veins will grow bigger and richer with depth, and when this fact is established by the diamond drilling campaign planned, I do not believe you will be able to buy the stock under $1 a share.

My advice to every reader who can afford to speculate—for any mine at this stage is a speculation—is to buy as many shares of Rouyn Gold Mines around the present price of 28 cents as you can, then put it away and await developments. I believe Rouyn Gold is going to sell at much higher prices before very long.

Mr. Isbell's "Timely Talks On Mining" will continue for an indefinite period in this column. "Talk Number Twenty-Three" will appear in the issue of February 1st. We suggest that you have your name placed on our mailing list to receive a copy of "Timely Talks on Mining" each week without any charge or obligation of any kind.
Simply write your name and address on this coupon and mail to us.

-COUPON-

SIMONS, AGNEW & CO.,
McKinnon Bldg., Toronto, Ont.

SIMONS, AGNEW & CO., LTD.,
189 St. James St., Montreal

Please place my name on your mailing list to receive a copy of "Timely Talks on Mining" each week free of charge.

Name..

Address..

NEWS OF THE BANKS AND BANKING

BISHOP FALLON WRITES LETTER ON HOME BANK

Demands That Govt. Make Banks Collectively Responsible for Deposits

OTTAWA.—Bishop Fallon's letter on the banks fell here like a bombshell in the camp, and is sure to have quite an effect during the approaching session. Whether it is wise, or not, it has touched off a lot of opinion that has been forming for some time.

The big question is, what is going to come out of the whole matter? There is no lack of men in parliament who are strong in their criticism of the banking system; but unless something more is offered in the way of constructive ideas than was given last session, very little actual progress will be made.

After all is said and done, the situation will boil down to this; it will be up to the Canadian Bankers' Association to make helpful proposals. If the attitude of last session, "everything-is-all-right," is again taken, there will be another year of violent agitation that will do the country harm.

The bishop's letter and a rejoinder by Sir John Aird, president of the Canadian Bankers' Association, follow:

THE BISHOP'S LETTER

"To the Right Honorable W. L. Mackenzie King, Prime Minister of Canada.

"Right Honorable and Dear Sir:

"Shortly before your departure to attend the Imperial Conference the Home Bank closed its doors. A few days after your return the liquidator issued his report on the bankrupt institution. That document, with its omissions and its suppressions, constitutes the most disreputable story that has ever been made public in the annals of Canadian finance. Despite government supervisors, finance ministers, inspectors, auditors and the Bankers' Association, the Home Bank was able to go on unchecked for more than a decade of years in its career of incompetence, deception or dishonesty, until the whole structure fell to pieces and brought misery and suffering to hundreds of thousands of Canada's citizens.

Calls for Effective Action

"The collapse of the Home Bank, however, is but an incident in a financial condition that calls for immediate and effective action. By glowing annual reports, by eloquent discourses from general managers, by empty resolutions of uninformed shareholders, and by culpable negligence in the finance department, the people of this country have been lulled into a sense of security concerning their surplus earnings entrusted to the banks of Canada.

"There is no good basis for this sense of security. It is futile to allege that the banks that remain are so strong as to allay all mistrust and suspicion. Consider the history of the past ten years. One of our foremost banks was a universal subject of nervous comment; several million dollars went from the public treasury to its support. This action was either a measure of commendable prudence or it was plain robbery. Then followed the unspeakable exposure of the Merchants Bank, an institution that was considered as solid as the Rock of Gibraltar.

Cites Recent Occurrences

"In recent months the Union Bank and the Standard Bank have written off millions of dollars of losses caused by the speculation of their officers, and which might just as well have completely wrecked them. Then the Home Bank failed. Following quickly on the heels of that event came the disappearance of the Bank of Hamilton, which had reached the limit of its financial endurance. And only a few days ago La Banque Nationale was saved by the wise decision of the Provincial Government of Quebec to assist it by a subvention of fifteen million dollars of public money.

"There is, moreover, nothing in the balance sheets of our existing banks to create reasoned confidence. Our ten largest banks have an average surplus of assets over liabilities of less than twelve dollars in every hundred. When one considers that in this small surplus are contained frozen assets, bad debts, loans from which no profit will ever be made and the inevitable shrinkage in the value of real estate and equipment, it is not too much to say that these institutions would, under pressure, pass from a condition of potential to one of actual bankruptcy. In that unhealthy condition ninety per cent. of our population is vitally concerned, and it is a condition which the civil government is bound to effectively heal; the immediate end for which civil government has been instituted is the protection of persons and property.

"Made Slaves by Our Savings"

"But how can this end be reached in the matter under consideration? By the simple method of making the banks collectively responsible for the money they accept as deposits. The banks borrow our money without other security than the charters the people give them; they pay no, or a very low rate of interest. When they loan us our own money they charge us the highest rate of interest obtainable, and every shred of security that can be squeezed from us is rigorously exacted. We are actually made financial slaves by the very power of our own savings. And the bankers gamble with our earnings, and tell us to go whistle when the crash comes.

"No further faith can be put in those who have been hitherto our financial guides. They have been weighed and found wanting. And now being told that the banks have no objection to 'Government inspection,' but the Government must bear the consequent 'responsibility.' The people of Canada will not tolerate the placing of any such 'responsibility' on their Government, that is on themselves. They shall demand an effective guarantee for their hard earned savings, and they will look to the forthcoming session of the Federal Parliament to exact that effective guarantee from those to whom these savings are confided.

"It may be asked why I should have written this letter. Let me satisfy a very reasonable curiosity. I have noticed that every corporate interest has a mouthpiece. The plain people, to whom I belong, alone seem to be inarticulate and unorganized. Failing a more fitting representative, I ventured to make myself their spokesman. And I have a strong conviction that I am voicing their sentiments.

"I beg leave to remain,
"Right Honorable and Dear Sir,
"Yours faithfully,
"M. F. Fallon,
"Bishop of London."

Sir John Aird Replies

"It is a very poor cause that has to be bolstered up by repetitions of rumors and petty gossip," declared Sir John Aird, general manager of the Canadian Bank of Commerce and president of the Canadian Bankers' Association, in commenting upon the letter of Rt. Rev. Bishop Fallon, of London, Ont., on the suspension of the Home Bank of Canada, and on the Canadian Banking system in general. Sir John Aird said he would not enter into a criticism of the Bishop's letter, but preferred to quote his views on the guaranty system, as expressed at the annual meeting of the Canadian Bank of Commerce on January 8, in answer to Bishop Fallon's suggestion for the enactment of "an effective guarantee for deposits at the forthcoming session of the Federal Parliament." Sir John said that some people seemed to regard the guaranty system as the "cure-all" for banking ills, but added that the consensus of opinion among the large majority of bankers of the Dominion was against it.

Experience Not Encouraging

In his remarks on the guaranty system before the directors of the Canadian Bank of Commerce, the president of the Bankers' Assoociation stated that the history of plans for providing a legal guarantee of the safety of bank deposits was not very encouraging.

"Various plans of the kind have been tried in a number of the States in the Union," he said, "but even their advocates are forced to admit that they have failed to fulfil the expectations formed of them. In most cases the systems have completely broken down, the State of Oklahoma providing one of the worst examples. In only one State has such a plan managed up to the present time, to avoid failure. A recent commentator states:

"'In general the system has not prevented failures; the failures in adjoining States which have not the guaranty system have been fewer in proportion, and so with the failures of National banks in the States concerned.'

Premium on Bad Banking

"National banks are not chartered under State laws and therefore do not share in such guarantees," continued Sir John. "The record shows that under such plans a premium is placed on bad banking. The incentive to watch over the security of loans is taken away when the safety of deposits is supposed to be beyond question. As has been well said by a recent Comptroller of the Currency, the most practical approach to an effective and safe guarantee of bank deposits would be found in such a system as would come nearest to eliminating the danger of bad loans; in other words, if some plan of insurance against losses could be devised that would not operate as an incentive to carelessness in lending.

"Parliament has shown signs of opposition to inside reserves but it is certain that some provision for setting aside a certain percentage of earnings as a protection against prospective losses in addition to providing for losses actually ascertained, is only a prudent step. It would, however, be a difficult matter to regulate by legislation, as the losses sustained by individual institutions must vary because of dissimilar policies and management."

IMPERIAL BANK

The Imperial Bank announces the following staff changes:—R. R. Brown, formerly manager at Niagara-on-the-Lake, has been appointed manager, Aurora, Ont. L. A. Russell, formerly accountant at the main branch, St. Catharines, has been appointed manager, Niagara-on-the-Lake. J. W. Willis, acting manager, Bloor and Lansdowne branch, Toronto, has been appointed manager at that point, vice F. M. Smyth, who has been granted extended leave of absence owing to ill health.

Staff Gossip

Arthur Colvin, who has been on the Bank of Hamilton staff at Guelph, has accepted a position with the First National Bank, Detroit.—The Sun, Orangeville.

• • •

Harold Shore, who has been on the staff of the Imperial Bank of Canada for some years, has been forced through ill health to sever his connection with that institution.—The Banner-Times, Brampton.

• • •

T. J. Harris, accountant of the Bank of Montreal, St. Mary's, has returned, after spending some time relieving in London and Thorndale. Mr. Rixon, who was taking his place, has been transferred to Hamilton.—The Herald, Stratford.

• • •

H. P. D. Evans, manager of the West Toronto branch of the Molsons Bank, formerly of Ridgetown, has been granted three months leave of absence on account of ill health and with Mrs. Evans will spend the winter in Florida. —The News, Chatham.

• • •

J. S. Plunkett has been appointed to take over the managership of the local branch of the Bank of Montreal, vacated by the superannuation of A. E. Finucane. Mr. Plunkett was formerly manager of the bank at Almonte, going there from Moncton, N.B.—The Observer, Sarnia.

• • •

A new arrival in banking circles is A. P. Taylor, who has been appointed inspector in the department of the superintendent of Maritime and Newfoundland branches of the Canadian Bank of Commerce. Mr. Taylor comes direct from Calgary where he has been an inspector of the Alberta branches for several years. Mr. Taylor's early banking experience was gained in the Province of Quebec in the Eastern Townships Bank which was absorbed by the Canadian Bank of Commerce in 1912.—The Herald, Halifax.

ALBERTA HAS NOT LOST ONE DOLLAR ON FARM LOANS

Scheme of Guaranteeing Bank Loans Successful So Far

From Our Own Correspondent.

MONTREAL.—While he was in Montreal the other day, Premier Herbert Greenfield of the province of Alberta made the statement to a banker here that the province had never lost a dollar under its system of guaranteeing bank loans to deserving farmers. As the system in force in Alberta has been in operation for six or seven years, this is evidence of a remarkable success to date.

Bankers are inclined to feel that the Alberta system of loaning money to farmers is the most nearly perfect that has yet been devised in this country. One Montreal banker put it this way: that it had removed the necessity of a barren area of farm credit in Western Canada. Of course, bankers are ready to endorse the scheme because it enables them to make farm loans without any possibility of loss, because their loans are guaranteed by the province. On the other hand, the fact that the province has not lost any money to date, and is not anticipating any loss, seems to be evidence of some merit in the scheme.

How Scheme Is Worked

In Alberta, the residents or farmers in any community may join together to form what is known as a co-operative credit society. There is always a small capital stock, with subscriptions for shares, but the society never aims to operate at a profit. Each society has a board of directors consisting of local men, usually prosperous farmers, and upon the recommendation of these directors loans are made to farmers who are in need of financial assistance. The loans are usually for a short-term, and no attempt is made to finance the construction of buildings, the purchase of farms, or other capital investments that require long-term mortgage loans. Each loan is subject to the inspection of a government inspector, as well as to the approval of the local board of directors.

When the credit society makes a loan, one of the chartered banks discounts the paper, and the repayment of the loan and interest is guaranteed to the bank by the provincial government.

A great many of these credit societies have been formed, and a large number of farmers have been assisted. It has been the experience that the local directors, who, by the way, serve without salaries, have proven very efficient in their choice of risks. Usually they are men who know the problems of farmers in similar positions to themselves, and realize where money can be properly used, and where a loan is not going to be too heavy a burden upon the borrower. Inspection by a government official of each loan also prevents the possibility of the loaning facilities being exploited by unscrupulous or unsound farmers.

The banks loan the money at 7 per cent. at the present time, and it is loaned to the farmers at 7½ per cent. The difference of one-half of one per cent. per annum is usually sufficient to pay the cost of administration.

Most of the loans mature about the 31st of January, but the banks have not been rigorous in enforcing payment on this date, and in areas that have been "hailed out," or have suffered some other calamity, loans have been extended from year to year. Most of the loans have been made to cereal farmers, but it is felt by bankers that the system is capable of being broadened out to cover ranchers and farmers generally.

The other provinces have not as yet followed Alberta's lead in this matter the chief difficulty with most of them evidence an unwillingness to give guarantees in loans to a single class in the community. This is a form of paternalism, and numerous objections can be raised to the idea. It is theoretically unsound for a province to guarantee the ordinary loans in connection with the business activities of any particular group of people, and to assume the risk of loss that would have to be distributetd among all classes of the population.

The scheme has, perhaps, had some advantages in relieving a situation that has been due to conditions of the past few years, the disarrangement of the world's markets for foodstuffs since the ending of the war, and the fall of the price of farm products without a compensating drop in the expenses of producing those products. Certainly it has proven to be less expensive to the province than has the rural credit schemes of other provinces. Manitoba, for instance, has found that farmers who borrow directly from the province in many cases feel under no obligation to repay their loan, and for political reasons it is difficult to enforce payment from them. In the case of the Alberta borrowers, they have borrowed from a bank, and there is not only the bank but the force of the local co-operative credit society, and, lastly, the province, to make the borrower feel the responsibility he is under. To date, at least, it has not been the experience of the Alberta co-operative credit societies that the farmers pay the ordinary creditors first, and the society last.

Exchange

The decline in both francs and sterling is due, from all that can be learned, to flight of capital from both France and England to this country. The causes are not, however, identical in each case. Capital is fleeing from England in anticipation of a labor government. The migration from France is ascribable to nervousness over the outcome of a situation created by continued inability to reach an agreement on reparations and the failure of the French government in the meantime to balance its budget. Further increase in Bank of France circulation was a factor. However that increase was undoubtedly incidental to year-end settlements. It is likely that circulation will decrease this month.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Jan. 17	2 9-16	2 5-16	31-32	7-8
Jan. 18	2 1-2	2 1-4	1 1-32	1
Jan. 19	2 9-16	2 1-2	1 1-16	1
Jan. 21	2 5-8	2 15-32	1 1-32	31-32
Jan. 22	2 1-2	2 7-16	31-32	15-16
Jan. 23	2 7-8	2 3-8	63-64	15-16

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Jan. 17	4.24⅝	4.63½	4.37
Jan. 18	4.24	4.59	4.36
Jan. 19	4.23½	4.50½	4.35½
Jan. 21	4.20⅞	4.43¼	4.33
Jan. 22	4.23	4.57½	4.35
Jan. 23	4.21	4.46½	4.33

Weekly Bank Clearings

(In comparison with same week last year)

EASTERN CITIES

	Jan. 17, 1924	Change	%
Toronto	$118,746,065+	$3,635,728	3.1
Montreal	99,497,169+	3,486,027	3.6
Ottawa	8,251,726+	1,774,736	27.4
Quebec	5,048,044—	63,557	1.2
Hamilton	4,850,910—	349,685	6.7
London	3,222,942+	625,613	24.1
Halifax	2,751,141+	318,105	13.1
St. John	2,667,161+	449,647	20.3
Brantford	994,946+	122,441	14.0
Kitchener	798,723—	152,792	16.1
Peterboro'	778,516+	164,555	26.8
Moncton	755,310—	198,184	20.7
Sherbrooke	750,602+	89,361	13.5
Kingston	576,010—	26,995	4.4
Total, East	$249,689,865+	$9,875,020	2.1
Windsor	$ 2,825,164	....	...

WESTERN CITIES

	Jan. 17, 1924	Change	%
Winnipeg	$ 41,839,394+	$3,729,964	9.8
Vancouver	13,768,282+	1,154,892	9.1
Calgary	6,746,476+	2,012,960	42.5
Edmonton	4,064,087+	619,254	17.9
Regina	3,297,440+	257,939	8.5
Victoria	1,849,526—	224,756	10.8
Moose Jaw	1,019,202—	47,905	4.5
Fort William	825,523+	87,384	11.8
New W'minster	522,563+	129,296	32.9
Lethbridge	491,735+	9,777	2.0
Brandon	422,571—	114,689	21.4
Medicine Hat	380,690+	93,960	8.8
Prince Albert	337,257+	21,255	6.7
Total, West	$ 75,564,745+	$7,729,051	11.4
Grand Total	$325,254,100+	$17,604,071	5.7

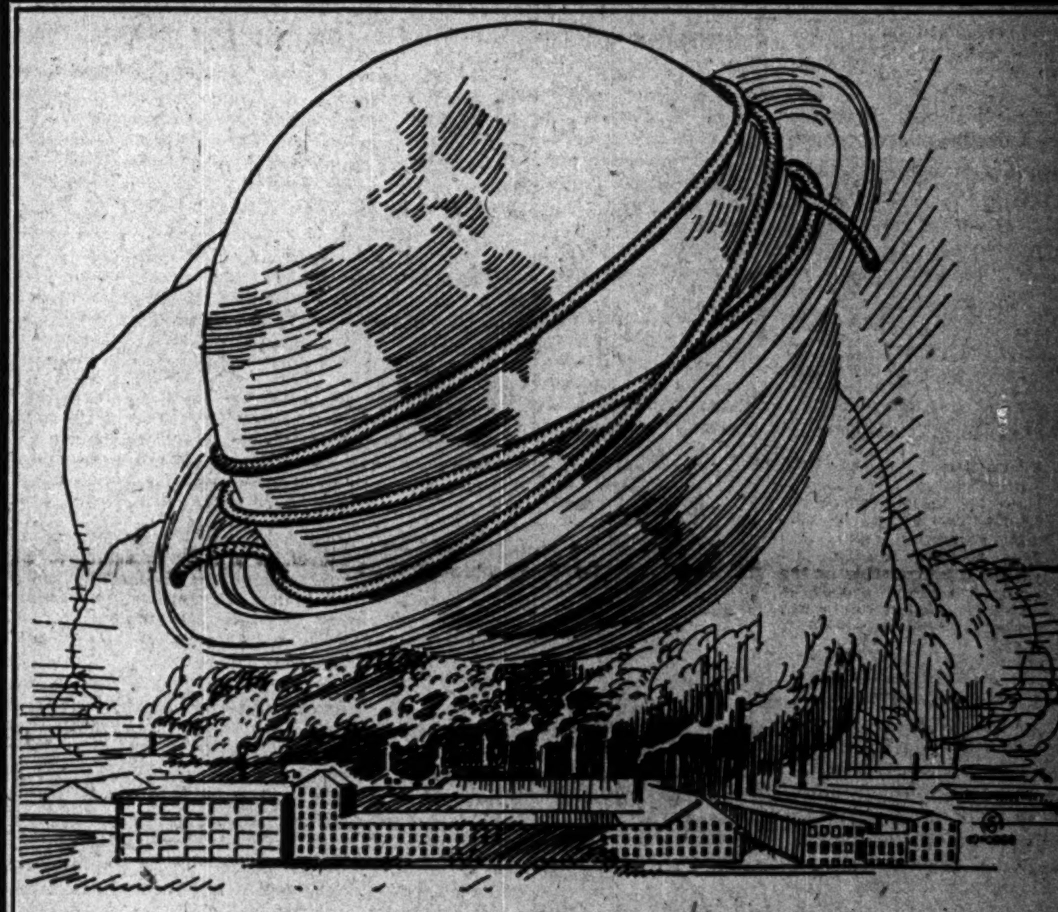
"Clients Appreciate Our Calling Them"

"Instead of depending on our local clientele, we gave Long Distance a list of 90 names of out-of-town clients we thought would appreciate participation. At nine o'clock Monday morning we started to talk to them. We sold many bonds this way. Each client appreciated our interest, and we made many good friends."

Each new telephone installed adds to the value of YOUR service.

The Bell Telephone Company of Canada

FRANK KENNEDY,
Manager.



We Offer an Investment
In an Extensive and Profitable Business

"The Plant Is Never Idle"

Every home and industry in Canada is a market for Greening Products. The Company makes:

Metal Screens for:
Machinery Guards
Window Guards
Iron Window Frames
Boat Railings
Wire Doors
Office Railings
Belt Guards
Cashiers' Cages
Coal Screens
Sand Screens
Mining Screens
Poultry Netting
Door and Window Screens
Cement Plants
Stock Netting
Smoke Box Netting
Milk Strainers
Threshing Machines
Locomotive Stack Netting

Perforated Steel, Iron, Brass, Copper, Tin, Zinc, Monel and Special Metal for:
Mining Operations
Coarse Screens
Household Articles
Threshing Machines
Fanning Mills, Flour Mills
Grain Separators
Rice Mills, Bee Hives
Bridges

Wire Cable and Fittings for:
Hoisting Engines
Hawsers, Tiller Ropes
Transmission and Haulage
Pit Mining
Galvanized Wire Products
Locomotive Switching Ropes
Armour Clad Cable

Chains:
Halter Chains
Dog Chains
Trace Chains
Etc.

THE factors that make an investment in the 7% Cumulative and Redeemable Preference Shares of The B. Greening Wire Company, Limited desirable, are first, the extraordinary diversity of the Company's products, and, second, the excellence of the market they enjoy.

The list at the side shows that they supply wire, wire screening or perforated metal for almost every phase of Domestic, Agricultural, Industrial, Marine and Building activity.

The business may be said to touch almost every phase of human endeavour. That is why "the Plant is never idle". When business falls off in one line it is usually active in others.

Factors that are of supreme importance to the investor are the stability, experience and success of the management. The business has been established more than sixty years and operated by three successive generations of the Greening family. The present managers have been responsible for its success during the past twelve years, and will continue to direct its Manufacturing and Sales Policies.

That this success has been no mean achievement, the following financial facts demonstrate.

Earnings—26% average for 10 years

The record of its earnings is remarkable. For ten years past, after paying all operating, maintenance and present funded debt interest charges, they have averaged annually 26% on the total amount of the present Preference Share Issue.

The Company has no Bank indebtedness. Total assets are certified to be equal to more than $200 for each $100 Preference Share issued. Net current assets are certified to be more than $100 for every Preference Share.

It is our opinion, based on exhaustive enquiries and reports, that this 7% Preference Share Issue is a conservative and sound investment, yielding a substantial annual income. Application is to be made to list the Shares on the Toronto Stock Exchange. We offer these Shares for immediate subscription at:—

Price: 95 to yield about 7.40%

Dividends free from Normal Federal Income Tax.

Æmilius Jarvis & Co.
Established 1891. LIMITED

293 Bay Street, Toronto | Transportation Bldg., Montreal | Royal Bank Chambers, London | 48 Sparks Street, Ottawa

Information contained in this advertisement has been secured from official and reliable sources, although not guaranteed.

THE FINANCIAL POST

Member of the Audit Bureau of Circulations.

President - - - - - - - JOHN BAYNE MACLEAN
Vice-President - - - - - - - HORACE T. HUNTER
Manager - - - - - - - - - GORDON RUTLEDGE
Editor - - - - - - - - - - - - J. W. TYSON

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

No paid advertising, other than annual reports or official notices of corrections, will be inserted in the news columns unless marked "Advertisement."

Advertising matter which has a tendency to mislead or which does not conform to business integrity, is declined. Acceptances of advertising will not deter the editorial department from making such comments as the situation may suggest.

No material from news bureau sources submitted for editorial purposes will be published, and no such bureau or individual should be paid any consideration or given any credit for the insertion or inspiration of any item.

ADVERTISING RATES:

Single Insertion ....$2.80 per inch
Financial Reports, Debenture Notices, etc., 20c. per agate line

SUBSCRIPTION PRICE:

Canada and United States ....$5.00 per annum
Great Britain and Countries in Postal Union .... 21s. 6d.
Australia and all other Countries.................... 27s. 6d.

Subscribers are especially requested to report any instance of delay or non-delivery of THE POST.

PUBLISHED BY

THE MACLEAN PUBLISHING COMPANY, LIMITED

143-153 University Avenue, Toronto.

MONTREAL, Southam Building, 126 Bleury St., F. S. Chalmers; WINNIPEG, 610 Confederation Life Building, E. H. Hawkins; BOSTON, 734 Old South Building, C. L. Morton; NEW YORK, Room 1606, St. James Building, 1133 Broadway (Corner 26th Street), A. R. Lowe; CHICAGO, Room 1004, Federal Life Building, 168 North Michigan Boulevard, Phone Dearborn 8694; GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 88 Fleet Street, E. C., E. J. Dodd, director.

The detailed circulation statement we submit is not our own claim, but the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A. B. C. inspection.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, JANUARY 25, 1924

Edited for the thinkers of the nation—those peope who analyze correctly and draw proper conclusions and who are responsible fo rthe Nation's sound thought on matters political and economic.

MR. TOLMIE TELLS OF ANTAGONISM TO MANUFACTURERS

HON. F. S. TOLMIE, B.C., former Minister of Agriculture, has just completed a tour of Canada as National Conservative organizer. In an address to Toronto business men, he said the thing that impressed him most was the antagonism throughout the prairies to the manufacturers of the East. Many farmers came out strongly in favor of buying United States goods to avoid helping the eastern manufacturers. He said that it was unfortunate that such a feeling should prevail and asked if there were no remedy for it.

This confirms a statement made by the chairman of the Ontario branch of the C. M. A., who said that at many of the fairs throughout the country the farmers, when they found these placards were put up by Canadian manufacturers, tore down the placards asking the public to help Canada by giving the preference to products produced in Canada.

What is the cause and what the remedy? More than ten years ago and several times since THE POST has shown that the policies pursued by certain officials and near officials of the Canadian Manufacturers Association were bound to lead to misunderstandings, bitterness and reprisals not only from farmers but from labor, from merchants, from the press, and THE POST pointed to the remedy.

A DANGEROUS THEORY THIS

THE action of the Quebec government in lending financial aid in the merger of the French-Canadian banks, brings from the Ottawa Citizen the dangerous observation that "surely, in time, it must become apparent that, if it is possible for the state to lend public credit for private use at interest, it should be equally possible for the state to utilize the public credit for public needs without going through the process of borrowing from private sources."

Canada and the world to-day are burdened down with taxation because of government spending. But how much greater would be the government spending and extravagance if, by some magic, capital could be raised without borrowing from private sources? And what we ask would be the sources of capital other than "private sources"? Capital as generally accepted by economists, is the consolidation of the savings of thrift and the profits of production. Heaven help us if the socialists ever get the opportunity to launch on a program of spending on the basis of money created by government edict out of thin air and not controlled on the basis of public credit, or the supply of capital.

Practically, the Citizen seems to be suggesting that people lend to the government without interest, that the government take the money from the people without interest or that government money be created without backing—on the Russian or German plan.

FARMERS LEARNING OF BUSINESS

IT HAS for years been the custom of those who exploit public opinion in Western Canada to expound the theory that the farmers are charged excessive prices for their farm implements and that they bear the burden of excessive profits in the marketing of their grain. To such an extent has this propaganda been carried on that the United Grain Growers have been trying the experiment—probably against the better judgment of the management—of entering the exporting business and of handling farm implements. In both these departments losses have been sustained. The illusion of big profits for the implement manufacturers and the grain export houses has been dispelled at a substantial cost.

In referring to the losses sustained in the grain export branch last year, the annual report of the president, Hon. T. A. Crerar, declares that "it is generally conceded that there were but a few grain export companies in North America that did not lose money in the last year's operations, and some of them very heavily." The outlook for the current year is regarded as better, but, says Mr. Crerar, "it is but the simple truth to state that competition in the grain exporting business is very keen and that business is, under these conditions, conducted upon very narrow margins."

The losses sustained in the farm implement business were such that this branch has been closed up. President Crerar states that these losses were heavy. The only justification offered for the experiment is that "while the company was in the machinery business it provided a competition that brought substantial benefits to the farmers throughout Western Canada, but, as has been stated before, it is not a practicable proposition to conduct this business along the lines on which the company was conducting it." In a word the company, in trying to justify its own losses, would take credit for forcing other companies—unless they are far more efficient—in supplying the farmers of the West with necessary implements at a loss.

Western Canada essentially needs agricultural implements and efficient marketing facilities. The experiments of the United Grain Growers should go a long way to dispel the idea that because they are being provided by private business the profits are excessive. And we are convinced that the farmers will be quite ready to pay prices for service which will provide a fair margin of profit when they understand the situation and appreciate that they cannot expect such necessary services to be continued at a loss by private concerns any more than by their own company.

TAXES IN A GRAB-BAG

AN OUTBURST of indignation in the town of Annapolis, N.S., has followed the usurping by the provincial government of the license fee paid by the local bowling alley. The Spectator thinks the government "might have got along somehow without stepping in to grab that little bit of money out of the humble and limited resources of our already over-taxed community."

There should be no confusion of this kind as to whether the province or the municipality is entitled to tax revenues. Surely legislation providing for levying a tax should also govern who shall spend it.

The Bureau of Municipal Research evidently has work to do in this field in urging uniformity in taxation.

A LESSON FOR CANADA FROM ROUMANIA

EVEN Roumania has a better grasp than Canada of what is good business and in the interests of its people. It has forbidden the exportation from that country of all paper and paper stock with the exception of printed matter and articles manufactured from paper. In Canada, we send our raw material over to the United States to be manufactured for us. It is estimated that in the paper and printing industry in the United States there are over five thousand families employed in producing, in the United States, for Canadian consumption, material made from Canadian pulpwood and pulp. At least we should collect a small export tax to raise funds for the thorough protection from fire and reforestation to preserve and develop these resources.

THOSE GERMAN SETTLERS

IF ST. CATHARINES has any objections to German settlers, these are evidently not shared in Western Canada where these settlers would be locating. The Regina Board of Trade has passed a resolution favoring unrestricted German immigration and sharp criticism of the stand of the St. Catharines Board of Trade is expressed by C. T. Stacey, secretary of the Saskatoon Board of Trade. Mr. Stacey declares that the German settlers in the West have been of great value to the country as farmers and citizens.

The Kitchener Record is strongly for the German immigration program as might perhaps be expected but the Sydney Record and the Peterborough Examiner would go slowly and the St. Catharines Standard, while rather dubious about the proposal, offers the explanation that the plan was perhaps misunderstood, as it was intended only as a feeler to test public opinion.

In any event it is evident that German immigration can be made a live subject in Canada and that opinions are quite divided. Perhaps the most sensible plan would be not to object to Germans coming to Canada but to see that they become good Canadians after their arrival.

GETTING VALUE FOR PUBLIC MONEY

THAT although a reduction in the staffs of the various government departments in British Columbia may have been effected, "it does not explain how some of the departments have been split up into various other departments each carrying its own staff of employees," in the opinion of the Okanagan Commoner. While there is danger of local newspapers discussing such questions as between governments in a political spirit there can be no two opinions as to the advisability for such reductions as the government announces in curtailing expenditures and increasing efficiency in public administration.

There is the other point too that in a political discussion by partisan newspapers there is a tendency to make the desired point for or against the government regardless of other factors. The Sydney Post, for instance, effectively points out that "in 1923 Nova Scotia's expenditure was $500,000 greater than in 1922, over $3,000,000 was added to the provincial debt and the increase in taxation was over $500,000." But this in itself is not proof of extravagance. The increase is great and no doubt could have been curtailed. However, there are certain services in a developing country requiring enlarged expenditures and a measure of capital development should be justified.

The point is not so much less spending as it is less waste, increased efficiency, and the arrangement of public finances on a sound, business-like basis.

GETTING THE CONSUMERS' GOODWILL

COMMENTING upon a recent article in THE FINANCIAL POST, which showed that the goodwill of a business had a very real value, the Regina Post says:

> The goodwill which a manufacturer shows on his balance sheet is worth nothing to him unless he has the goodwill of his customers. A firm may possess the secret of turning out the best sealers in the world; but unless it can sell its jars the secret is worth nothing to it in terms of dollars and cents. And it can not sell them unless it has the personal goodwill of those who buy sealers. That can be obtained only by giving honest, cheerful and efficient service. Goodwill is the keystone of success in every line of business.

This hits the nail fairly on the head, according to Canadian Grocer. The manufacturer to succeed must have the goodwill of his customers and in most cases his biggest and best customers are the retail merchants. Their goodwill means not only purchases but sales. It means not only their own goodwill but also the goodwill which they create for the manufacturer among their customers—the general public. Once the manufacturer has inspired the retail merchant with confidence in his goods so that the latter feels he can conscientiously recommend them to his customers as the best value, he has an ally who, every day of the year, will be creating goodwill for him. There are thousands of merchants throughout Canada who are creating goodwill for the manufacturers every day of their lives.

The manufacturer then, should consider well who are his best customers, and, having arrived at a conclusion, should leave no stone unturned in his endeavors to secure their goodwill.

EDITORIAL NOTES

POLITICAL significance, in the present mixed situation between eastern and western political bodies, has been given to the moderation of the economic and tariff program of the Canadian Council of Agriculture. Evidently, however, the western farmers are not a unit in their opinions for the United Farmers of Manitoba at their recent convention demanded absolute free trade and stood out for an amendment to the clause of the "declaration of principles" on the tariff, making it plain that nothing less would satisfy the members' ultimate hopes.

* * * *

PRESIDENT BEATTY, of the C. P. R., intimated to a Toronto audience last week that because he went to Montreal from Toronto he was not accepted into the inner circles there, and that in Toronto everything he said which did not meet popular approval was blamed on the Montreal influences. Likewise, because THE FINANCIAL POST is published in Toronto, there are many people in Montreal who regard it as a local rather than a national publication. It is, then, consoling to find the Halifax Herald referring to us as "the Montreal Financial Post."

Five Leaders of Business Who Started Out Together

Group of Young Men Who Helped George Laidlaw Build the Credit Valley Railway All Rose to Positions of Importance and Prominence in Canada

By FLOYD S. CHALMERS

Back around 1880 five men worked together on a little railway that was being built westward from the city of Toronto. They were all young men, getting their start in life. They worked hard and well, and the railway they built became one of the most potent factors in developing the city of Toronto, and the province of Ontario.

The names of the five men were:

James Ross.
William Mackenzie.
Herbert Holt.
George D. Perry.
H. E. Suckling.

Young Suckling was secretary-treasurer of the company and had his office in Toronto. Holt was a young Irishman, who had taken his course in civil engineering in Dublin and had come out to Canada to test out his knowledge in the new land. Mackenzie got various small contracts on the railway, building stations, etc. Ross was getting his start as superintendent of the line. Perry was a clerk in one of the offices.

All of Them Made Their Mark

All of these young men were fast, firm friends. They were proud to work on the Credit Valley Railroad. They were proud to work for George Laidlaw, whose imagination and perseverance were responsible for the Credit Valley line.

Each one of these young men made his mark in Canada—achieved great things, and became a leader in his own field.

Three of them joined forces after the Credit Valley line was completed and built vast stretches of the new Canadian Pacific Railroad that was being flung across Canada. These three joined with a young fellow named Donald Mann to form the contracting firm of Ross, Holt, Mackenzie and Mann, that built many of the mountain and prairie sections of the C. P. R.

Holt stuck to railway building for the C. P. R., and became chief engineer in charge of the construction of the prairie and mountain sections of that road. After he had stood at Craigellochie as one of that historic company that saw Donald Smith drive the last spike that linked the C. P. R.'s rails, he came down to Montreal seeking new fields to conquer. He climbed into the Montreal Gas Company's muddled affairs and formed a syndicate to start it on its career of progress. He joined the company with the small and struggling Royal Electric Company, and led the van in electrical development until his union of two small companies grew in time to be the gigantic Montreal Light, Heat and Power Consolidated, one of the most amazingly successful public utility corporations in the world.

Broadens His Scope

He branched out beyond this; built power dams and distribution systems elsewhere in Canada; interested himself in the Royal Bank and made of it the second largest bank in Canada. He found new fields of banking service for the Royal Bank's pioneering—Cuba, the West Indies, Newfoundland, Spain. To-day he is rated by many as Canada's biggest business man.

William Mackenzie went on and on and became the greatest man of imagination that Canada has ever produced. He built more recklessly than Holt, Van Horne, and others of Canada's builders. He gave Canada its second great trans-continental railroad and raised the necessary money by sheer power of personality. He moved governments and small investors with equal ease, and when Canada became too small a field of operation to give his vision adequate scope he went to Spain, to Brazil, and other countries, to sink other people's millions in developments that were to go through periods of great distress, but which were all to achieve a measure of success. When he died the other day there was none too poor or too rich to pay him tribute.

James Ross remained many years in the field of railway building and then broadened out into the public utility field. He rehabilitated the street railways of Toronto and Montreal, and then acquired interests in big British utility companies. When he died he left one of the largest fortunes ever built up in Canada; left it, by the way, to a young man who proceeded at once to demonstrate that he could increase that fortune rather than squander it.

Perry also went up in the world by hard and steady work. Perry was never the dreamer type as was Mackenzie. But he accomplished something that few men could have done. He worked up through the ranks to become general manager of the Great Northwestern Telegraph Company although he never learned to operate a telegraph key.

H. E. Suckling also achieved a large measure of success. He came to Montreal about the time that the other young men in this extraordinary group of five left the Credit Valley, and entered the service of the Canadian Pacific Railway. To-day he is treasurer of that company, and as such, handles the company's $225,000,000 of income from a hundred different sources.

Led by George Laidlaw

There must be more than mere coincidence to account for the success of every man in such a group. One can read the reasons why each one individually succeeded. But how did it happen that the five of them were together on that one little railroad? The answer seems obvious: it was simply because of the ability of George Laidlaw to choose men.

Laidlaw was one of the great men of Canada. Probably he did more than any other man ever did to insure the future greatness of the city of Toronto. Yet Toronto has forgotten him. There is not a monument to George Laidlaw anywhere in Toronto; not even a tablet in the city hall. I cannot at the moment recall even a street in Toronto named after this builder. Back in the seventy's there was great rivalry between Toronto and Hamilton for leadership. The Hendrie's, the Stuart's and other powerful business interests in Hamilton were working to establish their city as the commercial metropolis of Canada. They had numerous advantages on their side; the fine Burlington Bay as a harbor, an excellent plain rising to the mountain at the back as a site for a city, excellent water supply, etc. George Laidlaw determined that Toronto should remain the centre of business for Ontario, and he implemented by his determination by promoting a network of railways with Toronto as the centre. There was the Credit Valley Railway, the Toronto Grey and Bruce Railway, and the Toronto and Nipissing. He formed the companies, got the land grants from the provincial government, and the subsidies from the city of Toronto, and built the lines. He chose carefully the men he needed to help him with his work.

Laidlaw was an undaunted fighter. He got an original grant of $100,000 from the city of Toronto for one of his railways. Then he went back for $250,000 more. The citizens were amazed. But he staged a whirlwind campaign to convince them that the expenditure would be justified. On the night before the election at which the by-law was presented to the people he addressed a meeting in the old St. Lawrence Hall, and carried the people away by the fire of his enthusiasm.

The next day when one of his fellow workers congratulated him on his effort, he said: "I believe that a man should always set a mark and then go after it with undaunted spirit." He added this sound advice: "Put a stout heart to a steep brae."

This was the man who inspired those five young workers of his to do great things for Canada, and to rise to heights of business success that marked each one for a permanent place in the history of Canada.

Getting Immigrants is Not All; Must Be Looked After When Here

From Our Own Correspondent.

MONTREAL.—It becomes daily more apparent that one of the important questions arising out of immigration is the need for looking after each immigrant after he arrives until he is a comfortably-settled, self-supporting Canadian citizen. This was emphasized when a group of Russian ex-officers were brought to Canada a few weeks ago. These officers and their families had been deported as prisoners of war to Constantinople. After the war they could not return to their homes because of the change of regime in Russia. Being of aristocratic lineage in many cases, or, at least, being of the hated capitalistic class, they were not wanted by the Soviet leaders. The Canadian government induced them to come to Canada.

They came, and that ended the Canadian government's interest in them. They were thrown down in Montreal most of them unable to speak English, and quite unfitted for the heavy manual labor required to earn their daily bread. One of them, a "King's Counsel" in Russia, worked on a concrete mixer until he fell from sheer exhaustion. His wife, a woman of refined experience, broke down after serving several days as domestic servant in a home where there were four young children, and is now working long hours daily washing dishes in a dirty restaurant. All this group of immigrants needed was co-operation between civic and Dominion authorities to enable them to learn such trades as that of auto mechanic, or to take some elementary studies in farming, and to be given a measure of support in the interval. As it is, they are gradually working out niches for themselves in the new land, but only with hardships and sufferings that must affect their feelings towards this country and make them poor advertisers for Canada when writing to friends abroad. Attempts to get co-operation from the immigration authorities who brought them here fell through. It was even found difficult to arrange for the sale of the embroidery and similar handicraft works of the women of the party.

The British Immigration Aid Association has realized the extent of this problem, and is making broad plans to care for immigrants. Rev. John Chisholm, secretary of this association, says:

"It is no use talking about our needing immigrants, preaching that we must get immigrants, and telling what this, that, or the other government would do to get immigrants," Mr. Chisholm remarked, in discussing the situation.

Mr. Chisholm states the chief need of immigration is selection on the other side, to avoid bringing out immigrants unsuited to Canada, and reception and distribution on this side to provide work and comforts for the immigrants as they arrive.

PERSONALS

SIR CHARLES B. GORDON, who becomes chairman of the Candian advisory board of the National City Co., is the leading textile magnate of Canada. He is president of the Dominion Textile Corporation and of Penman's and is connected with many other important companies. He occupies the post of vice president of the Bank of Montreal. Sir Charles Gordon succeeds the late Baron Shaughnessy in his National City post. Prior to the amalgamation of the United Financial Corporation with the National City Co., some time ago, Sir Charles Gordon headed the board of the other concern.

EDWARD R. PEACOCK, Canadian born director of the Bank of England, is not expected to seek re-election as director of that famous institution when his term expires in April. Mr. Peacock was formerly London, Eng., manager of the Dominion Securities Corporation. Recently it was announced that he would join the banking house of Baring and Co., as director. It is an unwritten law in the city that not more than one member of a firm shall be a director of the Bank of England As Lord Revelstoke, the head of Messrs Baring Brothers and Co., is also a director of the Bank of England, presumably Mr. Peacock will follow tradition by not seeking re-election to the Court next April. Mr. Peacock has for some years been intimately associated with what is known as the Pearson group of South American light and power companies. He is president of the Barcelona Traction, Light, and Power Co., a vice-president of the Brazilian Light, Power, and Traction Co.; chairman of the Mexican Light and Power Co., and the Mexican Tramways Company; and is on the board of several other concerns. He is also a member of the British section of the International Committee of Bankers on Mexico. We understand that Mr. Peacock will continue to discharge his duties towards the Barcelona Traction Co., and the Mexico Tramways, Light, and Power group of companies.

A PRUDENT EXECUTOR OF WILLS

Make your will to-day and provide adequately for the future protection of your family by naming a Trust Company your Executor and Trustee.

UNION TRUST COMPANY
Limited

Richmond and Victoria Streets
[illegible] TORONTO London, Eng.

THE ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter, 1727

Paid-up Capital - £2,000,000
Rest and Undivided Profits, Oct. 1923 £1,565,961
Deposits, Oct. 1923 £37,880,518

HEAD OFFICE:
St. Andrew Square, Edinburgh,
General Manager—A. K. WEIGHT, C.B.E., D.L.
Secretary—J. B. ADSHEAD.

LONDON OFFICE:
3 Bishopsgate, E. C. 2.
ALEX. DICK—WM. WHYTE
Joint Managers

GLASGOW OFFICE:
Royal Exchange Square & Buchanan St.
THOMAS LILLIE, Agent.

195 Branches throughout Scotland

Every description of British, Colonial and Foreign Banking Business transacted.

Foreign Exchange. Correspondence Invited.

7% Yield—
FIRST MORTGAGES
H.O. Robinson & Co.
Mortgage Bankers
611 Federal Bldg. Toronto
Phone Ad. 6807-8

Unlisted Bank, Loan, Trust and Insurance Corporation shares.

J&Co

JACKSON & COMPANY
LIMITED
Financial Agents
9 Wellington East Main [illegible]
TORONTO

Special Investigations for Banks & Bond Houses
S.W. EAKINS
Tax Adjustments
710 C.P.R. Bldg. - Toronto
Phone Adel. 5755

Fitting the Investor's Needs

No one type of investment can possibly suit all cases. Investors have needs which are widely varied.

Some who have not made a specialized study of investments desire securities which will need a minimum of attention and which will afford, at the same time, the maximum of safety—investments which will never occasion a moment's worry, and which will retain their dependability.

Some require investments that will mature in a short time. Others require investments that can be instantly marketed. Some desire to invest large amounts at one time; others, small amounts at frequent intervals.

The business man, in constant contact with business and investment problems, may like a wider range of securities and may need them for a great variety of purposes—either personally or in his business reserves or special funds. These indicate but a few of the needs.

Thirty-four years' experience of specializing in fitting investments to individual needs is at your service without the slightest obligation on your part.

Inquiries invited on all investment matters.

A. E. AMES & CO.

Established 1889. Investment Securities

MONTREAL VICTORIA — 53 KING ST. WEST TORONTO — *NEW YORK CHICAGO*

Phones: Toronto, Adelaide 8901; Montreal, Main 3050; Victoria, 105

INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

PAN EXTENSION

J.W.H., New York.—What can you tell me about Pan Extension Gold Mines Co., present status and possible markets for stock?

We are sorry to inform you that Pan Extension Gold Mine, of Northern Manitoba, is doing nothing at the present time. Recently we had a letter from a prominent geologist and engineer, who has been operating in that section of the country, and, in his opinion, the stock is worthless.

HULL BOND PRICES

H. S., New York.—The writer is a subscriber to your publication and I would like you to advise me the present market of City of Hull bonds, maturing May 1, 1962, 5½ per cent.

While the city of Hull is regarded favorably, and the security of its bonds not questioned, the market on the bonds is not active. Prices quoted by dealers on these bonds are around 101, yielding approximately 5.43 per cent. If not prepared for a long hold a bond commanding a wider market would seem to have advantages.

EUREKA KIRKLAND

A. R., North Bay.—I hold 2,000 shares of stock in Eureka Kirkland. Do you know anything about this concern? Had I better sell my Eureka Kirkland stock or hold it?

Eureka Kirkland is a gold prospect of four claims in Morrisette Township, Kirkland Lake. The proposition is headed by some fairly good citizens of the town of North Bay. It is capitalized at $500,000 only, and the stock has been sold at 25 cents a share. Indications on the property are said to have been very favorable, and to warrant the company in going ahead and expending a certain amount of money to develop it. This is what they propose to do and that is why they are selling the stock.

RSC INVESTMENT SERVICE

Ottawa Light Heat & Power Preferred to Yield 6¼%

WE have a few hundred shares for sale at par.

The satisfactory record of the Company over a long period of years makes these shares a safe and highly desirable investment.

Orders or inquiries for further information will be promptly attended to.

Royal Securities CORPORATION LIMITED

164 St. James St., Montreal

Toronto, Halifax, St. John, Winnipeg, Vancouver, New York, London, Eng.

MONTREAL FINANCE CORP.

F. W., Montreal.—Will you kindly give me your opinion and advice on the stock of the Montreal Finance Corporation selling at $60 a share, par value $50 a share? I have three shares of preferred stock with which they give two shares of common stock, no par value. This stock is now going up to $65 a share and they are asking me to buy more, but I do not like to chance any more without your opinion.

Most of the finance corporations that have been promoted and financed by the Banking Service Corporation have met with a fair measure of success to date. The Montreal Finance Corporation has some good people behind it, and its prospects are at least fair.

At the same time, there is a distinct disadvantage to intending investors in having to pay not only par for their preferred stock, but something substantial for the common stock, which has no real value except in the potential earnings of the company. There are many more attractive propositions available.

MOUNT ROYAL HOTEL

Subscriber, Prince Albert. — Would you please give me your opinion as to Mount Royal Hotel preferred and common? I bought 15 shares preferred at par, and lately was offered more at a lower figure.

Mount Royal Hotel has been meeting with some degree of prosperity, but the earnings for 1923, while very large, were far from sufficient to meet bond interest and interest on the $7,000,000 of preferred stock. The prospects are that 1924 will be a better year, but there is no assurance that dividends will be earned and paid on the preferred shares, and, in view of this situation, and also in view of the large amount of this stock that is outstanding, there is no assurance of early marked improvement in the price of the security. Investors in the stock must remember that they went into a proposition that offered them a possibility of high returns, but also offered them certain very definite risks at the same time. The hotel is very highly capitalized, and its earning power will have to be very great to insure continuous dividends on the large amount of outstanding preferred and common shares.

MANUFACTURERS' FINANCE

A. F. D., Nova Scotia—Among Investors' Inquiries in your issue of January 4, I observed a reference to Manufacturers Finance Co., re payment of dividends on preferred stock. As as I am shareholder in this concern holding preferred stock certificates dated June 30, 1923, and paid up to that date but not receiving the dividend so far, I am submitting the enclosed letter, to all shareholders for your opinion of the inference to be gathered. Am I to infer that such dividends were only to be paid to shareholders of record of December 31, 1922, when they were not legally incorporated until April, 1923, and when delinquent subscribers seem to have benefited if their accounts were paid to December of the past year? Are we to assume that they will pay one dividend annually?

The 8 per cent. dividend paid to shareholders of Manufacturers' Finance Corporation, December 31, 1922, was 8 per cent. in arrears to the old shareholders of Credit Alliance Financial, the old company. The payment of that dividend makes the shareholders of that company paid up to June of last year. The Manufacturers' Finance Corporation did not start until May of 1923. So shareholders who went into that enterprise were not entitled to any dividend at that time.

Indications are that earnings have been so good that the spring will see another 4 per cent. dividend declared, which would pay the shareholders up to the end of 1923.

We think the letter sent to shareholders is quite clear. Shareholders who have been buying the stock on the payment plan will have the dividend on the amount they have paid credited to their account. Those who were in arrears were given an opportunity to pay up their share in the dividend. Those who failed, lost the dividend. Cheques are now being mailed to the shareholders.

DOME MINES

C. J., New Brunswick.—I was about to purchase 100 shares Dome Mines at $19.75 yielding 10 per cent. Would you consider the dividend reasonably safe on this stock? Kindly advise the high and low of this issue over the last five years, and have dividends ever been passed?

Dome Mines are now selling around $20 a share. The dividend being paid on this stock at the present time is 50c. per share per quarter, or $2 per year. Dome is now earning around $3,000,000 per year, or about $1,000,000 above the dividend requirements. There is every indication that the mine will be able to maintain this rate of payment for some considerable time, and, perhaps, increase it unless heavy commitments on capital are undertaken in the near future. There are indications that the latter may be the case.

Market range on Dome Mines since 1913 have been as follows:

Year	High	Low
1913	$20.25	$10.00
1914	17.75	7.45
1915	30.00	6.15
1916	28.50	22.00
1917	23.25	6.60
1918	14.90	7.35
1919	16.25	14.10
1920	14.50	10.25
1921	22.50	11.75
1922	44.50	19.70
1923	44.25	31.55

The stock now selling around $20 is the new stock which was recently issued of no par value, on the basis of two shares of new for one of old, so with the present market value the old stock would range around $40 this year.

In regard to dividends, Dome paid no dividends in 1913 and 1914, 10 per cent. in 1915, 20 per cent. in 1916, 2½ per cent. in 1917, nothing in 1918, 2½ per cent. in 1919, 10 per cent. in 1920 and 1921, increased to 50 cents a share in July, 1922, per quarter, until 1923, when that was increased to $1 per share.

On the division of the new stock the dividend was reduced to 50 cents a share.

DOMINION COMBING MILLS

S. S., Ottawa.—A circular is at present before the public here regarding the Dominion Combing Mills, in which the claim is made beneath the subheading "Profits" as follows: "On a very conservative estimate Dominion Combing Mills, figure on earnings after paying 8 per cent. on the preferred stock a profit of over 15 per cent. for the common shareholders." Would this be a safe investment for a woman of limited means having on savings deposit in one of the chartered banks the sum of about $1,000, and, if so, how soon would the enterprise become a "going concern," and be in a position to fulfill, in its entirety, the above quoted claim?

We regard Dominion Combing Mills as a speculative investment, and hardly attractive for a woman of limited means. We don't think that she should remove her $1,000, which she at present has in the bank, to invest in this enterprise. The concern is a going one at the present time. There are reports that it is doing a substantial business. However, it is a new enterprise in Canada, the business is more or less hazardous and competition for the amount of trade there is will be decidedly keen.

CURRENT OPINION

AN OVERWORKED ARGUMENT
(Regina Post)

The debt incurred during and as a result of the war is heavy enough, and it will be long enough before the last cent of it is paid, without adding to it by unnecessary expenditures for which the people must dig down into their jeans to meet.

The new sales tax will be a heavy burden on the country; but no one would object to it or to any other tax if it was clear that the revenue derived from it was necessary.

As long as there is no indication that the legislative bodies of the country are prepared to cut out unnecessary expenditures of all kinds, at the cost of a few votes if necessary, a suspicion will exist that the argument that we are still paying for the war is being employed to cover too great a multitude of sins.

The tax rate could be materially reduced tomorrow if the war was all that Canadians were paying for five years after the armistice.

REORGANIZE TAXATION
(Calgary Albertan)

A few weeks ago The Morning Albertan suggested a platform which might be adopted by the Liberal party—and it might be adopted by any other party, forward looking, with the interest of the party at heart. The policy is based on Liberalism, and could be adopted with some variations or improvements by that party to the advantage of the party and to the province.

The fourth plank in that platform referred to the need of a complete reform in taxation in the province. There is little need for argument in this respect. There is no system in our method of taxation, no order and much injustice.

A glimpse at the history of the taxation of the province, shows that in the beginning the province was able to carry on with little else than the subsidies received from the federal government, supplemented by certain licenses, stamp taxes and inheritance taxes.

As the province developed the government found it necessary from time to time to add increased taxes. It adopted the Educational Land tax, the Wild Land tax and later other forms of taxation. From time to time it added various other taxes.

In imposing new taxes one question was asked and apparently one only, which was not the justice of the taxation, but the chances of revenue. The result is that our taxation is without system. Some persons are paying vastly too much and others are not paying their share. There has been no scientific study of the taxation.

The government must bring order in taxation out of the chaotic condition which exists at the present time, before there can be very much progress.

THE REVOLT AGAINST TAXES
(Ottawa Journal)

Sir Joseph Flavelle, one of the keenest intelligences in the country, advocates cutting the Canadian income tax in half. That, under existing circumstances, may be impossible, but beyond doubt, taxes have got to be reduced. The United States is preparing to slash taxation. They are to be cut by the Federal Government, and to be cut by the various States as well. This, when it is accomplished, will compel action here. For Canada, unless it is to drive itself into economic extinction, cannot continue abnormal taxation and consequent high living costs alongside of a country where both taxation and living costs are coming down. To do so would be simply to drive capital and people out of the country at a rate that would cripple our prosperity for years to come.

Fortunately, the public is becoming aroused. In all the statements of our leading banks, in the addresses of railway presidents and leaders in all walks of life, the predominant note just now is a solemn warning against taxes. It is bound to have an effect.

DEMAND FOR INCOME TAX REDUCTION
(Owen Sound Sun-Times)

The FINANCIAL POST is correct in stating that everywhere there is an insistent demand for lower taxes. Industry, business, thrift, are all discouraged when they find that anywhere up to 25% and over of profits have to be paid out in one form or another of taxes. Their protest cannot much longer go unheeded. From municipal Councils up to the Dominion parliament, all public bodies empowered to impose and collect taxes should very seriously consider where retrenchment is possible and hasten to make it.

The Sun-Times repudiates any suggestion of sympathy with the "whisper of death" stuff of the Montreal Star, or any of the many political "calamity-howlers," whose main idea is that a change of government is all that is wanted to save the country from national bankruptcy. What is really needed and wanted, also, is the adoption by governments and by municipalities of business standards and methods of efficiency and economy. Until this is done, there will be no material reduction in expenditure nor in the taxes of one kind and another, required to raise the necessary revenue to meet increasing expenditures.

PROGRESS AND TAXES
(Brockville Recorder-Times)

Andrew W. Mellon, United States Secretary of the Treasury, who has put before the nation a broad scheme of tax reduction, in a letter to the Outlook declares, "with the principle that a man should pay taxes in accordance with his ability, I thoroughly agree, but when, as a result of an unsound basis of taxation, it becomes evident that the source of taxation is drying up and wealth is being diverted into the unproductive channels, yielding neither revenue to the government nor profit to the people, then it is time to readjust our basis of taxation upon sound principles." The remark, while referring especially to the sur-tax imposts of the United States Government, should be regarded as applicable to all taxation. Mr. Mellon made that clear when he pointed out that it is a principle of sound business that if price is fixed too high sales drop off. Government is just a business, he reminds Outlook readers, that taxation is the price charged for what that business has to sell in the way of service. On that premises Mr. Mellon sees that the problem in fixing taxation is to secure the largest revenue from satisfied tax payers. In other words, the taxation must be on a scale that will invite public confidence. It must not be so high that it will lead men of wealth to put their money into non-productive investments. It should not stifle initiative, but should invite wealth into productive effort, increasing thereby the sources of taxation. Says Mr. Mellon, "anyone at all in touch with affairs knows of his own knowledge of buildings which have not been built, of businesses which have not been started and of new projects which have been abandoned all for the one reason, high taxation." The acclaim with which representative financial leaders throughout the United States have received the Mellon proposals declares both the soundness of his views and the conviction that present-day burdens of taxation are a handicap on progressive development.

Backing Judgment For Higher Return

H. W., New Brunswick.—I have $4,000 in government bonds and a further $1,000 for investment. Have been following the ups and downs of the reliable stocks and it seems to me that I would sooner take a chance on some of them rather than be content with bond interest, so am asking if you know of some good reliable stocks the company of which is well managed with ample capital, good prospects and the stock below the market. I would not mind holding for a year or two all things being equal. Would sooner split the $1,000 in two or three lots. I notice Lyalls is well down, also Bank of Nova Scotia. What is the cause?

You admit your willingness to assume a certain degree of risk in the purchase of stocks in exchange for a higher rate of interest than you can get on ordinary bonds.

In the case of the following stocks the companies may be regarded as financially strong, well managed, and having excellent prospects for the future. In every case they return a fair yield to the investor at the present time, with the possibility of some enhancement in the market value of the stock:

Stocks	Dividend Rate	Price	Yield to Investor
Bell Telephone	8%	128	6.25
Canadian Converters	7%	90	7.78
Howard Smith, pfd. .	8%	90½	8.04
F. N. Burt	10%	135½	7.38
Lake of Woods, com.	12%	173	6.93
Montreal Tramways	10%	153½	6.52
Ottawa Power	6%	82	7.32
Canada Bread, pfd. .	7%	96	7.29

These securities have been chosen rather indiscriminately and because they offer a variety of industries and degrees of safety. There is no attempt to indicate that all are of the same calibre, but all of them may be regarded as having fair or excellent prospects.

Lyall Construction Company stock has been selling at very low levels, because there has been rather important blocks offered on the market with no corresponding desire to buy. The company has fairly large orders on its books, and while these are not as profitable as they might be, we do not think that there is any real justification for the present exceptionally low level for the stock.

Bank of Nova Scotia shares are selling on the basis to yield the investor 6.43 per cent., and we would not consider this a low price. It is a much higher level than most of the other bank stocks are selling at at the present time. Recent developments in Canadian banking have tended to injure the feeling of confidence that many investors had in the banks here and this has affected the market price of all of the banks' stocks. The Bank of Nova Scotia may be regarded as one of the strongest of the banks.

Bell Telephone Rights

Bought, Sold and Quoted.

We shall be glad to give holders, at their request, information on these rights.

Greenshields & Co

Dealers in Canadian Bond Issues
Members Montreal Stock Exchange

17 St. John St., Montreal
also Mount Royal Hotel

TORONTO 14 King Street E. — OTTAWA 46 Elgin Street

WESTERN BOND ISSUES.

We Specialize in Western, Provincial, Municipal and School Bonds

Lougheed & Taylor, Limited
CALGARY, ALTA.

VERSAILLES-VIDRICAIRE-BOULAIS LIMITED

Investment Bankers

MONTREAL QUEBEC OTTAWA

Quebec Municipals and Industrials a Specialty

Government, Municipal and Corporation Bonds

Bought—Sold—Quoted

Private wire connections with Toronto, Montreal, New York.

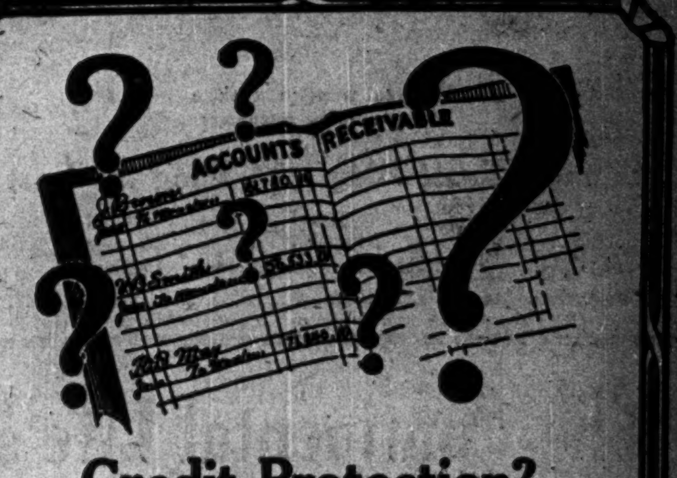
Wood, Gundy & Company

Toronto — 36 King Street West, Toronto. — Montreal
Winnipeg — Telephone: Main 3236. — New York
London, Ont. — London, Eng.

OSLER & HAMMOND

Stock Brokers and Financial Agents
Members
Toronto Stock Exchange
Montreal Stock Exchange

21 JORDAN STREET - TORONTO



Credit Protection?

Do you feel secure about the accounts on your books simply because of your *past experiences?*

That is highly dangerous, because the only *certain* thing about credit accounts is their *uncertainty!*

Believing the customer was solvent, but not actually knowing the facts—even though he had a fine rating, a fine reputation, and had always paid his bills—is what has caused every big credit loss that ever happened.

Manufacturers and Wholesalers, investigate American Credit Insurance, the *real* safeguard against abnormal, unexpected credit losses.

CANADIAN DIVISION
The AMERICAN CREDIT-INDEMNITY COMPANY
of New York —— J. F. McFadden, President

The Pioneers in Credit Insurance

R. J. Mullen, General Manager for Canada,
Excelsior Life Bldg.,
Phone—Main 4181,
Toronto

9768

NEW ISSUE

Dominion of Canada Guaranteed

Issued by the Canadian National Railway Company
5% Thirty-year Bonds

Dated February 1, 1924. Due February 1, 1954

These bonds are an unconditional guarantee of the Dominion of Canada, ranking equally with its Victory Loan issues and other direct obligations.

Denominations $1,000 and $500.

Price 99.50 and Interest
Yielding approximately 5.03%.

Subject to confirmation by us.

Gairdner, Clarke & Co.

312 Bay Street, Toronto, Telephone Elgin 2301
212 Dominion Express Bldg., Montreal, Telephone Main 8333

To assist those who are following the stock markets we have prepared a concise pamphlet comprising an analytical review of the leading stocks and an accurate record of price fluctuations last year.

This work of reference should be in the hands of every investor. We have a copy for you. Ask for it!

Stobie, Forlong & Company

Members Toronto Stock Exchange
10-12 King St. East

HAMILTON TORONTO KITCHENER
BRANTFORD OSHAWA

McDougall & Cowans

Members of the Montreal Stock Exchange

130 St. James Street

STOCK BROKERS

HALIFAX ST. JOHN, N. B. QUEBEC
OTTAWA TORONTO WINNIPEG

MONTREAL

Direct Private Wire to all Branches and New York

JOHNSTON AND WARD

MEMBERS
Montreal Stock Exchange
Toronto Stock Exchange

Canada Trust Bldg., 14 King St. East

Halifax, N.S. Montreal Sydney, N.S.
Sherbrooke Kingston St. John's, Nfld.
Moncton Direct Wire Connections London

The Continental Life's Most Successful Year

The outstanding features of the Report of the Continental Life Insurance Company, presented at the Annual Meeting held at the Head Office, Toronto, on Wednesday, January 23rd, 1924, were a record amount of insurance written, largest increase in surplus earned, large increase in dividends to policy holders, a reduction in expense ratio, reduction in mortality ratio.

		Increase over 1922
Insurances issued and revived	$5,328,136.00	$274,807.00
Total income	935,699.24	58,109.07
Surplus earned	161,057.20	52,057.39
Dividends paid or allotted to policyholders	60,967.75	15,854.36
Reserves	3,377,343,00	229,909.00
Assets	3,969,383.49	313,136.98
Surplus (including Paid-up Capital stock $200,000)	468,284.53	81,739.88

Ratio of actual to expected claims, 36.2%

Amount of Insurance in Force, $21,486,357.00

The following gentlemen were re-elected Directors: George B. Woods, President; H. Wilberforce Aikins, M.D., First Vice-President; Sidney Jones, Second Vice-President; E. E. Sharpe (Winnipeg), N. L. Paterson, Richard Southam, Wm. A. Medland, J. B. Holden, John W. Hobbs, Wm. A. Denton, Wm. A. Dryden (Brooklin), John T. Richardson.

NEWS AND VIEWS ABOUT BONDS

MANY BOND ISSUES ATTRACT NUMEROUS BIDS BY DEALERS

Prospect of Railway Issue Did Not Affect Prices

The past week has witnessed exceptional activity in the bond market. Orders from private investors have continued to follow in at a moderate rate, while investing institutions have been buying steadily in some quarters. Included in the latter are the banks, which are turning to bonds with the money not at present required in commercial and business loans. Annual reports issued in recent weeks indicate heavy holdings of bonds by the banks, and in the absence of any outstanding increase in business activity this tendency is likely to continue.

A factor in the situation which caused slight uneasiness was the uncertainty regarding the placing of the $50,000,000 Canadian National Railway issue. In spite of the large amount of bonds sold and issued the demand has dried up the offerings of dealers. Consequently it was felt that if the railway bonds were sold in New York an acute scarcity would arise to push prices still higher. Some dealers even maintain that the railway issue can be absorbed here without affecting present price levels adversely, but there are others who feel that it will cause some slight weakness.

Strength in the New York market has continued, with the result that several Canadian issues have been attracted to that field.

C. N. R. Issue Sold Here

The Canadian National Railways issue of $50,000,000 30-year 5½ per cent. bonds, guaranteed by the Dominion of Canada, was open to competition of both Canadian and American bond houses and tenders were received from both markets. The bonds were awarded to a syndicate headed by the Dominion Securities Corporation, at a price of 97.813, Canadian funds. The tenders were:

	Can. Bonds
Dominion Securities Corp.; A. E. Ames & Co.; Wood, Gundy & Co.; National City Co.;	97.813
A. Jarvis & Co.; R. A. Daly & Co.; McLeod, Young, Weir & Co.; Gairdner, Clarke & Co.; Matthews & Co.; M. A. Mackenzie & Co.; Royal Securities Corp.; Nesbit, Thomson & Co.; Bell, Gouinlock & Co.; Rene T. Leclerc; Greenshields; L. G. Beaubien & Co.; Dominion Bank; Bank of Toronto; Molsons Bank; Banque Provinciale; Union Bank	97.111

	U. S. Bonds	
Dillon, Read & Co., National City Co., Guaranty Co., Lee, Higginson & Co., Harris, Forbes & Co., Bankers' Trust Co., Brown Bros., Continental and Commercial Traders and Savings Bank, Chicago and Illinois Traders and Savings Bank		94.13
Kuhn, Loeb & Co., Chase Securities Corporation, Blair & Co.		
Nesbitt, Thompson & Co.; E. H. Rollins & Sons		98.901
Nesbit, Thompson & Co., Montreal	98.03	
A. Jarvis & Co., Toronto	96.61	99.31
Bel, Gouinlock & Co.	97.50	
Hanson Bros.; R. C. Matthews; A. P. B. Williams, Inc.	97.677	
National City Co., Montreal; Harris, Forbes & Co.	98.03	98.011
Eastern Securities Co.; Guaranty Co., of N.Y.; Wood, Gundy & Co.		98.74
Eastern Securities Co.; Wood, Gundy & Co.	97.91	
Dominion Securities Corp., Montreal	98.031	
Dillon, Read & Co.; Dominion Securities Corp.		98.901
C. A. Stimson & Co., Toronto; Paine, Webber & Co., Boston; R. L. Day & Co., Boston	97.271	98.928
J. M. Robinson & Sons; A. E. Ames & Co., Tor.	98.29	
A. E. Ames & Co.; Bankers Trust Co., New Y'k.		98.799
Kountze Bros., New York		99.82
First National Bank, New York; Redmond & Co.; Rutter & Co.		99.238
Royal Securities Corp., Montreal	97.773	
Thomas, Armstrong & Bell; Kissell, Kinnicutt & Co.; McLeod, Young, Weir & Co.	97.87	99.37
Gairdner, Clark & Co.; Dyment, Anderson & Co.	97.47	
McNeill, Graham & Co.; C. H. Burgess & Co., Toronto; Winsloe & Winslow, Woodstock	98.037	
Doherty-Essen Co., Tor.	98.31	
Miller & Co., New York		98.611
Matthews & Co., Toronto; Halsey, Stewart & Co.		98.745

Newfoundland Issue

The Dominion of Newfoundland sold $3,000,000 of 20-year 5½ per cent. bonds to the Dominion Securities Corporation and Dillon, Read & Co. at 96⅞ U.S. funds. The proceeds are to be used mainly for financing the purchase of the Reed Newfoundland railway.

Wood, Gundy Buy B.C. Bonds

An issue of $2,000,000 British Columbia 25-year 5 per cent. bonds was awarded to Wood, Gundy & Co. at 96.877, which represents a cost to the province of 5.23. These funds will be used for irrigation work, university buildings and trunk roads. The interest and principal is payable in New York and Canada.

The bids were as follows:

Wood, Gundy & Co., and Blythe Witter & Co.	96.877
A. E. Ames & Co.	96.173
Miller & Co.; Grandon, Gordon & Waddell	96.03
Dominion Securities Corp. and Dillon, Reid & Co.	95.513
Rutter & Co.; Redmond & Co., and Kountze Bros.	95.51
Seattle National Bank; Wells, Dickie & Co.; Halsey, Stuart & Co.	94.321

Award Windsor Issue

Wood, Gundy and Company were awarded the issue of $1,041,214 5 and 5½ per cent. 10 and 20 annual instalment bonds of the City of Windsor at 99.41. The tenders were:

Wood, Gundy & Co.	99.41
Dominion Securities Corp.	99.04
McLeod, Young, Weir & Co.; Bell, Gouinlock & Co., and Geo. Carruthers & Son	98.39
A .E. Ames & Co.	97.09

Victoria Sells Issues

Two issues of city of Victoria bonds were sold to a syndicate composed of Dominion Securities Corp., A. E. Ames & Co., Wood, Gundy & Co., and Dillon, Read & Co. The first issue consisted of $400,000 of 20-year 5½ per cent. bonds, payable in New York. The second was $585,000 of 20 instalment 5½ per cent. bonds payable in Canada only.

Buy New Brunswick Bonds

An issue of $800,000 province of New Brunswick 5 per cent. debentures for permanent roads and bridges was sold to the Provincial Bank of Canada and White, Weld & Co., of Boston. Alternative bids were asked, and the tender for ten-year bonds payable in Canada and the United States at 99.939 was the most favorable. The bids received were:

	20 yr. pay Can.	10 yr. pay Can. & U.S.
Provincial Bk. of Canada; White, Weld & Co.		99.939

Niagara Falls Issue

The issue of $129,408.80 5 per cent. 10 and 20 instalment bonds of the city of Niagara Falls, were awarded to Murray and Co., at 97.52. The bids were:

Murray & Co.	97.52
McLeod, Young, Weir & Co.	97.07
Housser, Wood & Co.	97.0007
Wood, Gundy & Co.	96.68
Matthews & Co.	96.46
A. E. Ames & Co.	96.29
C. H. Burgess & Co.	96.26

Cochrane Issue

Bird, Harris & Co. purchased an issue of $110,000 5½ per cent. twenty instalment. town of Cochrane bonds, guaranteed by the Province of Ontario, privately.

Buy Guaranteed Issues

Nesbitt, Thomson & Co. purchased two blocks of bonds guaranteed by the county of Victoria; one for $66,900, bearing 6 per cent. and repayable in 15 annual instalments and issued by Omemee; the other is for $34,500, 6 per cent., repayable in 10 annual instalments, issued by Bobcaygeon.

Renfrew Sells Bonds

The town of Renfrew sold an issue of $100,000 20-instalment 5½ per cent. bonds to Matthews & Co., at 101.922. The cost basis to the municipality is 5.27 per cent.

Bids were:

Matthews & Co.	101.922
Wood, Gundy & Co.	100.875
Gairdner, Clarke & Co.	101.788
Dominion Securities Corp'n.	101.182
Dohertv, Easson & Co.	101.39
C. H. Burgess & Co.	101.37
McNeill, Graham & Co.	101.37
Bell, Gouinlock & Co.	100.80
McLeod, Young, Weir & Co., Ltd.	100.77
Nesbitt, Thompson & Co.	101.532
R. A. Daly & Co.	101.39
Bain, Snowball	101.53
A. Jarvis & Co.	101.57
Mun. Bankers	101.033
Dyment Anderson	101.35
W. A. Mackenzie	101.52

Buy North York Issue

The township of North York awarded an $80,000 issue of 5½ per cent. 20-year bonds to Wood, Gundy & Co. at 101.34. The bids were as follows:

Wood, Gundy & Co.	101.34
A. E. Ames & Co.	101.09
Bain, Snowball & Co.	101.19
Sterling Bank Bond Dept.	101.09
C. H. Burgess & Co.	100.81
McKay, McKay	100.75
Goss, Forgie & Co.	100.75
Bird, Harris & Co.	100.5759
Gairdner, Clarke & Co.	100.52
McLeod, Young, Weir & Co.	99.37

Two Ford Issues

Housser, Wood & Co. purchased two issues town of Ford 6 per cent. due in 10 and 15 instalments, amounting to approximately $76,000.

Award Oakville Bonds

An issue of $55,000 town of Oakville 5½ per cent. debentures was awarded to Wood, Gundy & Co. at 100.33 and interest. Bids were as follows:

Wood, Gundy & Co.	100.33
C. H. Burgess & Co.	99.04
A. J. Pattison	99.00
W. C. Brent & Co.	98.61
Bell, Gouinlock & Co.	98.60
McLeod, Young, Weir & Co.	96.75

The township of Bertie awarded $16,000 of 5½ per cent. 10 instalment bonds to Housser, Wood & Co. at par. The tenders submitted were:

Housser, Wood & Co.	100
Bird. Harris & Co.	99.50
MacKay, MacKay	99.48
C. H. Burgess & Co.	99.43
Macneill, Graham & Co.	99.037

OFFER THE FIFTY MILLION RAILWAY ISSUE IN CANADA

Dominion Issue Awarded to Strong Syndicate by Open Tender

Following the announcement made by Hon. Jas. A. Robb, acting minister of finance, that a $50,000,000 bond issue of the Canadian National Railways would be offered for public tender, much speculation was indulged in as to whether the bonds would go to the United States or remain in Canada. Tenders were called for bids on bonds payable in either market. Two tenders were submitted by strong Canadian syndicates, both of which were higher than either of the American bids. Consequently, the bonds were awarded to a syndicate headed by the Dominion Securities Corporation, and consisting of prominent bond houses at a price of 97.813. On this basis the money is costing the railways 5.145 per cent.

The bonds bear interest at 5 per cent. and mature in thirty years. They are issued as a general obligation of the Canadian National Railways, and are guaranteed as to principal and interest by the Dominion of Canada. The interest and principal is made payable at several centres throughout Canada, and the bonds are in denominations of $1,000, and $500. They are being offered to the public at 99.50

The acceptance of the highest tender, which was for Canadian bonds again demonstrated the remarkable strength of Canadian investment machinery, especially as it follows a year in which 80 per cent. of Canadian issues were sold at home. Dealers report a good reception to the offering, the first large order reported being from the Bank of Montreal.

Rice Gibson Offering Canada Housing Bonds

Rice, Gibson & Co. are offering to the public $600,000 of 20 year, 6½ per cent. mortgage bonds of the Canada Housing Corporation at par, and interest to yield 6.50 per cent.

The bonds will be secured by mortgages on solid brick houses in Toronto, which will be deposited with the trustee for the bondholders. These mortgages at all times exceed in value the amount of bonds outstanding. They are also further secured by a first charge and prior lien on all the company's present and future assets, and also by the covenant of the mortgagor on each mortgage.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	96¼	97
Alabama 5% 1962	69	70
Algoma Steel 5% 1962	27¼	30
Ames Holden 6% 1947	42¼	..
Belding 5% 1936	86	88
Brandram Henderson 6% 1939	87	89¼
Belgo Can. Paper 6% 1943	95	96
Brompton 8% 1941	108	..
Brompton 6% 1939	96¼	99
Burns P. & Co. 6½% 1943	97¼	99¼
Bay Sulphite 6½ 1943	..	81
Calgary Brewing 5% 1942	76	79
Canada Steamship Lines 7% 1942	93¼	94¼
Can. Light & Power 5% 1949	74	75¼
Chicoutimi Pulp 6% 1943	72	76
Consumers Glass 6% 1935	..	..
Can. Nor. Rly Income 5% 1930	50	51¼
Can. Steel Foundries 6% 1936	97¼	..
Can. Car (Scrip) 6% 1927	97	..
Dom. Iron 5% 1939	70¼	..
Davies. Wm. 6% 1942	85	87
Dom. Power 5% 1932	91	..
Dom. Textile 6% 1949	102	..
East Koot Power 7% 1942	97¼	..
Fraser Co. 8% 1941	103	104
Frontenac Brewery 6% 1951	..	84
G.T.P. 4% 1955	71¼	..
G.T.P. Sup. 4% 1955	73¼	..
Holt. Renfrew 6½% 1937	..	96
H. Smith Paper 7% 1941	98¼	98¼
H. Smith Paper 6% 1934	98	..
Lake Sup. Paper 6% 1941	102¼	..
Laurentide Pow. 5% 1946	96¼	97¼
Laurentian Pow. 6% 1936	95	96¼
Maple Leaf Milling 6½% 1943	98½	101
Montreal Light 5% 1933	96	96¼
Maisonneuve 5% 1954	96	97¼
Man. Power 7% 1941	100¼	..
Mattagami 6% 1937	60	..
Mattagami Deb. 7% 1949	..	27
Montreal Tram 6½% 1924	101	102¼
Montreal Pub. Ser. 5% 1942	81¼	82¼
Montreal Pub. Ser. 6½% 1924	99	100¼
Montreal Steel Works 6% 1940	99	..
Montreal W. & P. 4½% 1932	89	..
Montreal W. & P. 5% 1932	..	82¼
Nor. Ont. Power 6% 1931	91¼	93
N.S. Steel 6% Deb.	71¼	76¼
Ottawa Gas 6% 1939	100	..
Ottawa Gas 5% 1934	..	99
Ontario Pulp 6% 1931	102¼	..
Price Bros. 6% 1943	..	100
Paton Mfg. Co. 6% 1953	92	..
Provincial Paper 6% 1940	99¼	100
Porto Rico Ry. 5% 1962	65	68¼
Quebec Power 6% 1953	..	94¼
Quebec Jacques 5% 1931	84	90
Saguenay P. & P. 6½% 1934	..	83
Shaw. Cotton 6% 1949	75	81
Shawinigan 5% 1934	101¼	..
Shawinigan 5½% 1950	100	..
Shawinigan 6% 1950	103¼	..
Sag. Pulp & Power 6½% 1931	..	..
South Canada Power 6% 1948	99	..
Spanish River 8% 1941	106¼	..
St. Maurice Val. Cotton 6% 1952	73¼	..
St. Maurice Power 6½ 1953	103¼	104
Toronto Power 5% 1924	99	100
Wabasso Cotton 7% 1947	97¼	98¼
Windsor Hotel 6½% 1943	100¼	101
West. Koot. Power 6% 1940	99	..
Western Power 5% 1949	85	86¼
Western Power 7% 1926	96	..
West. Quebec Power 6½% 1931	..	90
Winnipeg Electric 6% 1943	91¼	93

BOND MOVEMENTS OF THE WEEK

Week Ending January 22.

Bonds	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Latest Price Ask	Latest Price Bid	High	Low
Asbestos	5	1942	6.65	90	79	83½	82	—	80	82	—
Can. Bread	6	1941	6.00	100	96	100	99	100	99	100	99¾
Can. Converters	6	1926	6.15	99½	99½	99½	99½	99½	—	99½	—
Can. Cottons	5	1940	6.00	90	85⅝	89½	88	89½	—	89½	—
Cedar Rapids	5	1953	5.12	98½	93	98½	98½	—	98⅛	98	—
Dom. Textile (A)	6	1925	5.40	100⅞	99¾	101⅛	100¼	101⅛	—	101⅛	—
Do., (C)	6	1925	5.40	100½	100	101⅛	101	101⅛	100¼	101⅛	—
Penman's	5	1926	6.10	97	93¾	97	95	97	96	97	95½
Sao Paulo	5	1929	7.75	90¼	86	87	86½	87½	86	87	—
Sher. Williams	6	1941	5.85	102½	99	101½	101	—	101	101½	—
Steel of Can.	6	1940	5.86	102½	99	101½	101	102	100	101½	101
Quebec Railway	5	1939	6.85	83¼	68	83	81	82	81	82	81
Wayagamack	6	1951	7.75	86¾	75	80½	79	—	80	80	—
Winnipeg, Electric	5	1935	6.50	94¼	86½	87½	87½	—	89¼	87½	—
War Loan	5	1925	4.68	100.95	99.10	100.90	100.15	—	100.60	100.90	100.45
Do.	5	1931	4.85	101.80	99.80	101.00	100.15	—	101.00	101.00	100.75
Do.	5	1937	4.72	103.30	102.00	103.30	102.50	—	102.80	103.30	103.00
Victory	5½	1924	4.98	101.65	99.86	100.65	100.20	100.60	100.50	100.65	100.40
Do.	5½	1927	4.76	103.50	101.60	102.90	102.15	—	102.65	102.90	102.50
Do.	5½	1933	4.81	106.70	104.15	106.65	105.30	—	105.45	105.80	105.40
Do.	5½	1934	5.18	103.90	101.30	103.30	102.20	—	102.65	103.30	102.20
Do.	5½	1937	4.74	108.45	106.25	108.17	107.70	108.00	107.90	108.15	107.75
Do., Renewal	5½	1927	5.16	102.80	100.75	101.50	101.00	—	101.20	101.25	—
Do., Renewal	5½	1932	5.19	103.15	100.80	102.40	101.35	—	102.20	102.40	102.00
Do., Refund	5	1928	5.08	99.70	98.80	100.00	99.40	—	99.65	100.00	99.75
Do., Refund	5	1943	5.02	99.25	97.90	100.05	99.00	—	99.40	100.05	99.40

Matthews & Co.,
Limited

GOVERNMENT, MUNICIPAL and CORPORATION BONDS

Toronto General Trusts Bldg.
255 Bay St., Toronto, Ont.

Government
Municipal Bonds
Unlisted Stocks
Bonds
Bought—Sold—Quoted
Our Mining Department has a complete Statistical Bureau.
Write us for information.

BALFOUR, WHITE & CO.
LIMITED
Investment Bankers
136 St. James Street, MONTREAL

McDonagh Somers & Co.

Government and Municipal Bonds

Dominion Bank Building
TORONTO
Canada

FOUNDED HB 1880

Investment Advice

Forty years' experience in the field of Investment Securities qualifies us to furnish our clients with detailed particulars and sound financial advice concerning each and every market offering.

We invite your enquiries in this regard, and, if desired, we will gladly offer suggestions for a profitable re-adjustment of your holdings.

You incur no obligation by writing us and our entire organization is at your service.

HANSON BROS.
Investment Securities
160 St. James St., Montreal 63 Sparks St., Ottawa

Canadian Northern Railways

5% INCOME DEBENTURE STOCK
DUE MAY, 1930

Secured by mortgage covering undertakings and railways of this system, which is owned and operated by the GOVERNMENT OF THE DOMINION OF CANADA.

It is estimated that these lines will be self-sustaining in a few years, which opens up the possibility of a resumption of interest payments.

These debentures may now be obtained at prices to return an increase in capital of nearly 90% in less than 6½ years and as the return is in the form of capital appreciation, the tremendous profit is NOT SUBJECT TO INCOME TAX.

Write at once for particulars, as an advance in price is imminent.

C. C. SMITH & COMPANY
LIMITED
Investment Bankers
17 St. John St. Montreal
'PHONE - MAIN 412

FOR BOND QUOTATIONS SEND TO

Toronto Bond Exchange
LIMITED
DOMINION BANK BUILDING
KING & YONGE ST., TORONTO

ARE YOU IN NEED OF CAPITAL?

We are prepared to assist you in securing the capital you require to make any good proposition successful, either by loan, partnership, syndicate, incorporation or otherwise.

DOMINION BROKERAGE COMPANY,
831N Federal Building, Toronto.
Adelaide 2322

Your Home and Office Need Genuine

ORIENTAL RUGS

They are everlasting, satisfying, exquisite in colouring and moderate in price when bought from

BABAYANS Ltd. Canada's Largest Direct Importers King & Victoria Streets Toronto

TENDERS FOR DEBENTURES

TENDERS will be received by the undersigned up till Thursday, the 31st day of January, 1924, for the purchase of $8,000.00 of 6%, 15-year debentures for the erection of a teachers' residence in School Section No. 2, of the Township of Tisdale.

Equal annual payment, $823.70.

The above is issued under Township By-law 261, and are guaranteed by Ontario Government.

Further particulars may be had from the undersigned.

Dated this 15th day of January, 1924, at South Porcupine.

FRANK C. EVANS,
Treasurer,
Township of Tisdale.

Village of Fort Erie

ONTARIO

TENDERS will be received up to noon, February 4th, 1924, at the Office of the undersigned, Fort Erie, on $7,000.00 instalment debentures, 5½%, twenty years, last payment 1944.

Highest or any tender not necessarily accepted.

A. E. SEATON,
Clerk.

TENDERS FOR PURCHASE OF SCHOOL DEBENTURES.

THE Corporation of the Town of Campbellford offers for sale a second issue of High School Debentures to the amount of $28,800, bearing interest at 5½% and maturing in thirty years. Tenders will be received by the Town Treasurer, Mr. F. W. Wood, or by the undersigned up to noon, February 4th, 1924. The highest or any tender not necessarily accepted.

J. F. McGREGOR,
Clerk.

TENDERS
City of Brantford
Debentures

$335,000 Straight term due December 15th, 1963. Interest semi-annually at 5 per cent. per annum.
81,000 Serials, in instalments of $2,700 annually December 15th, 1924 to 1953. Interest semi-anually at 5 per cent. per annum.
45,000 Serials, in instalments of $1,500 annually December 15th, 1924 to 1953. Interest semi-annually, at 5½ per cent. per annum.

Bonds are payable at Brantford, both as to Principal and Interest.

Sealed tenders for the purchase of all or any of the above issues, will be received by the undersigned, at the City Hall, Brantford, up to noon, on Wednesday, the 30th inst., Brantford delivery and payment will be required.

The highest or any tender not necessarily accepted.

For further information apply to:

ARTHUR K. BUNNELL,
City Treasurer.

THE BANK OF TORONTO

Dividend No. 170

NOTICE IS HEREBY GIVEN that a Dividend of Three Per Cent. for the current quarter, being at the rate of Twelve Per Cent. per annum upon the Paid-Up Capital Stock of the Bank, has this day been declared and that the same will be payable at the Bank and its branches on and after the FIRST day of March next to Shareholders on record at the close of business on the 9th day of February, 1924.

By Order of the Board.

JOHN R. LAMB,
General Manager.

The Bank of Toronto, Toronto,
January 16th, 1924.

The Royal Bank of Canada

DIVIDEND No. 146

NOTICE IS HEREBY GIVEN that a Dividend of Three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Saturday, the 1st day of March next, to shareholders of record at the close of business on the 15th day of February.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., January 15, 1924.

Canada Cement Company Limited Preference Shareholders

DIVIDEND No. 56

NOTICE IS HEREBY GIVEN that a dividend of 1¾% for the three months ending December 31st, 1923, being at the rate of 7% per annum on the paid up Preference Stock of this Company, has been declared, and that the same will be paid on the 16th day of February next to Preference Shareholders of record at the close of business January 31st, 1924.

H. L. DOBLE,
Secretary.

Montreal, January 16th, 1924.

TENDERS FOR DEBENTURES

TENDERS will be received by the undersigned up till Thursday, the 31st day of January, 1924, for the purchase of $75,000.00 of 6%, 20-year debentures to build, equip and furnish a Continuation School and teachers' residence for School Section No. 1, of Township of Tisdale.

Debentures will be for $1,000.00 each and odd hundreds, equal annual payments $6,538.84. The above is issued under Township By-law 249, and are guaranteed by Ontario Government.

Further particulars may be had from the undersigned.

Dated this 15th day of January, 1924, at South Porcupine.

FRANK C. EVANS,
Treasurer,
Township of Tisdale.

Village of Fort Erie

ONTARIO

TENDERS will be received up to noon, February 4th, 1924, at the Office of the undersigned, Fort Erie, on $10,000.00 instalment debentures, 5½%, twenty years, last payment 1944.

Highest or any tender not necessarily accepted.

A. E. SEATON,
Clerk.

The Wm. Cane & Sons Co., Limited

offer

$150,000.00 of 7% First Mortgage 20 year Sinking Fund Gold Bonds

Dated Dec. 1st, 1923. Due Dec. 1st, 1943
In Denominations of $100 and $500.

The average annual earnings of this Company over the past six years have been sufficient to pay the interest three times over on this issue.

The Assets securing this issue are valued by independent appraisers at more than three and one-quarter times the amount of this issue.

The history of the Company is a fifty-year record of steady growth and prosperity.

Price 100 and accrued interest, yielding 7 per cent. Descriptive circulars on request.

THE WM. CANE & SONS CO., LTD.,
Newmarket, Ont.

Village of Cayuga

Debentures for Sale

TENDERS will be received by the undersigned to February 4th, 1924, for sale of debentures by the Corporation for Permanent Street Highways. $12,000 at 5½% payable in twenty equal annual instalments at Canadian Bank of Commerce, Cayuga.

January 21st, 1924.

J. A. TOOHEY,
Clerk.

TOWN OF COBOURG

Debentures

UNDER the authority of By-law No. 1314, Tenders will be received for $113,829.98, twenty year, serial, Local improvement Debentures of the Town of Cobourg, dated Dec. 1, 1923. Interest at 5½%, payable half-yearly, at the Bank of Toronto, Cobourg.

These Debentures are approved and By-law No. 1314 validated by order of the Ontario Railway and Municipal Board dated January 14th, 1924.

Tenders will be received up to 12 o'clock noon, Jan. 31, 1924, and must be marked "Tenders for Debentures" and addressed to the Treasurer.

A. W. YOUNG,
Treasurer, Town of Cobourg.

Town of Huntsville

DEBENTURES FOR SALE

TOWN OF HUNTSVILLE has for sale 5½% Debentures to the amount of $35,500.00 payable in twenty equal annual instalments, Principal and Interest.

Tenders received at Clerk's Office, Huntsville, Ont., up to February 15th, 1924.

T. M. CULLON, Clerk,
Huntsville, Ont.

THE DOMINION BANK

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank, in Toronto, on Wednesday, 30th January, 1924, at twelve o'clock noon.

By Order of the Board.

C. A. BOGERT,
General Manager.

Toronto, 15th November, 1923.

BANK OF MONTREAL

NOTICE IS HEREBY GIVEN that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this institution has been declared for the current quarter, payable on and after Saturday, the FIRST day of MARCH next, to Shareholders of record of 31st January, 1924.

By Order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 22nd January, 1924.

CIVIC AND PROVINCIAL FINANCE

CANADIAN DEBT MORE PER CAPITA THAN AMERICAN

Total Estimated at $590 Compared With $302 in States

LOWER IN BRITAIN

Funded Debt There is Only $41 Per Capita According to Recent Estimates—Railways a Big Liability

OTTAWA.—The statement of the entire gross debt of the United States, issued recently by its census department, and which places, at December 31, 1922, the amount at $32,786,715,000 for the federal government states, counties, cities, and all other civil divisions, has led to some enquiries as to the figures for Canada.

Provincial and municipal statistics in Canada have not been brought so up to date as they have in the United States, as to permit one to make an exact comparison; but approximate figures enable one to tell fairly well what the comparative situation is.

The United States indebtedness, which, by the way, includes not only funded, but floating debt as well, is divided as follows: Federal debt, $22,525,773; state debts, $1,162,648,000; counties, $1,366,636,000; cities, and all other civil divisions, $7,731,658,000. The percentage of the debt is as follows; Federal, 68.7; state, 3.5; counties, 4.2; cities, etc., 23.6 per cent. These figures, it should be remembered again, are gross, not net, it being usual to quote net figures in Canada.

Canada's gross national debt at December 31, 1922, was $2,996,535,000. The latest available funded debt figures for the provinces come down no later than December, 1921, when they totalled approximately $750,000,000. The provincial bond sales during 1922 totaled about $30,000,000, and, assuming that one-third of this was for refunding purposes, this would bring the total funded provincial debts at the end of 1922 up to $770,000,000.

The latest returns for the funded municipal debts come down no later than to the end of 1920, when they totaled approximately $742,000,000. During 1921 and 1922 the municipal bond sales were $170,000,000, and, assuming that $70,000,000 of these were for refunding purposes, the total funded municipal debts at the end of 1922 would then be $842,000,000. This brings the total gross debts of the federal and provincial governments and municipalities at December 31, 1922, up to $4,608,000,000. If floating debt were included, as in the case of the American estimate, the total would doubtless equal $4,650,000,000.

There is, however, an important liability in the form of railway bond guarantees, which, some time ago, ceased to be merely contingent. These total about $750,000,000, the interest for which must be met every year. Obviously, every year in which this has to be paid, this large liability thus becomes an actual debt.

It is plain, however, that in 1923 Canadians met interest charges on gross debts, federal, provincial, and municipal, amounting to over $5,300,000,000, or at the rate of $590 per capita. In the United States the per capita indebtedness was $302, and against this stands the British funded debt of $41 per capita.

NOTICE OF DIVIDEND

Famous Players Canadian Corporation Limited

Notice is hereby given that a Dividend of Two Dollars ($2.00) per share for the quarter ending 31st of January, 1924, has been declared upon the First Preference Stock of the Company, payable on the 29th day of February, 1924, to Shareholders of record 31st January, 1924.

By order of the Board,

N. L. NATHANSON,
Managing Director.

The Canadian Bank of Commerce

DIVIDEND No. 148

NOTICE IS HEREBY GIVEN that a dividend at the rate of Three per cent. has been declared on the capital stock of this Bank for the three months ending 29th February, 1924, payable at the Bank and its Branches, on and after Saturday, 1st March next, to shareholders of record at the close of business on the 14th day of February, 1924. The dividend payable on the new stock issued this month will be at the rate of two per cent. only.

By Order of the Board.

JOHN AIRD,
General Manager.

Toronto, 18th January, 1924.

The Montreal City and District Savings Bank

THE Annual Meeting of the Shareholders of this Bank will be held at its Head Office, St. James Street, on Monday, the eleventh of February next, at twelve o'clock noon, for the reception of the Annual Reports and Statements and the Election of Directors.

By Order of the Board.

A. P. LESPERANCE,
General Manager.

Montreal, January 7th, 1924.

DIVIDEND NOTICE

Canadian General Electric Co., Limited.

COMMON STOCK DIVIDEND NO. 99

NOTICE IS HEREBY GIVEN that a Dividend of three-quarters of one per cent. for the half-quarter ending the fourteenth day of February, 1924, being at the rate of six per cent. per annum, has been declared on the Common Stock of the Company.

The above Dividend is payable on and after the fourteenth day of February, 1924, to Shareholders of record at the close of business on the thirty-first day of January, 1924.

By order of the Board.

W. H. NESBITT, Secretary.

Toronto, January 22nd, 1924.

Consolidate Manitoba Financial Departments

WINNIPEG.—Action is being taken by the Manitoba government through legislation to consolidate the provincial savings office, the farm loans branch, and the rural credits department of the provincial treasury under one board of directors.

The move, based on the retrenchment policy of the administration, will wipe out two controlling boards and amalgamate the activities of all three branches under one manager.

Hon. F. M. Black, provincial treasurer, is the present supervising head of the rural credits scheme, with a director working under him. The farm loans board is headed by Lachlan McNeill, and E. A. Weir, whose resignation becomes effective in the near future, is manager of the provincial savings office.

As the activities of these three branches are closely allied, it is hoped that considerable economy will be effected by the consolidation.

Montreal Accountant to Become Auditor-General

The delayed appointment of an auditor-general at Ottawa has finally been made and approved, according to an announcement made by Hon. James A. Robb, acting minister of finance. The new appointee is George Gonthier of the Montreal accounting firm of Gonthier and Midgley. It is stated that much difficulty was experienced in securing a man fully qualified to fill the position efficiently to accept it.

At the last session of parliament an Act was passed to constitute a board of audit. It was provided that the auditor-general shall be chairman, the deputy minister of finance, vice-chairman, and that the two other members shall be public accountants, each member of the board, for the purposes of inquiry, under the Act, to have all authority given to the auditor-general as respects government departments.

The duties of the board are to inquire into and report on the present system of audit as respects the public accounts of the various departments, and to make recommendations for effective control of expenditure and revenue; to inquire into accounting systems on the Canadian National Railways, and to make recommendations with respect to them if necessary; to inquire into financial affairs of any commission or body carried on by the appropriations from the treasury. The board reports the result of its inquiries and recommendations to the minister of finance.

Woodstock Cash Balance Reduced by Liabilities

WOODSTOCK.—The city of Woodstock closed the year with an overdraft of $7,670, according to the financial statement submitted by City Treasurer Down. The total receipts of the city amounted to $816,701.94, and the total expenditures $760,451.18, leaving a cash balance in the bank of $56,250.76. Against this cash balance, however, there are heavy liabilities, chiefly on account of the school extension and hospital extension by-laws, and these more than offset the cash in the bank and make up the overdraft.

ECONOMY EMPHASIZED BY HAMILTON MAYOR

Will Seek Legislation For Return of Hydro Bonds; Look For Harbor Development

The inaugural addresses of many mayors in Ontario cities and towns have emphasized the necessity for economy, with few exceptions. Extravagant promises of by-gone years have given place to an exposition of the popular feeling for lower taxes so volubly expressed in the wholesale rejection of money by-laws in many districts.

Following the pronouncement of Mayor Hiltz of Toronto in favor of strict economy, Mayor Jutten of Hamilton, in his inaugural, said:

It may not be possible to further reduce the tax rate—I hope that it will at least not be necessary to increase it—but not only this year, but for some years to come, we must be prepared to do without some things we would like to have and that might even be desirable, in order that there shall be no unnecessary increase in our debenture debt and that a greater portion of our revenue may become available for our current needs, instead of being required to pay fixed charges.

In dealing with the business of the coming year, he continued:

"The matter of the return of our Hydro radial bonds will have to be dealt with at an early date, as it will be necessary to secure legislation at the forthcoming session of the legislature, while we should take up with the proper Dominion government authorities the question of harbor development, in order to provide water shipping facilities for the new coke ovens, and also the question of again giving the city representation on the harbor board."

BUYING FEDERAL BONDS, BUT WANT LESS SPENDING

(Continued from page 1)

cording to the views of W. R. Allan, president of the Union Bank of Canada, as expressed at the annual meeting of shareholders. Looking at the whole situation throughout Canada—largely with western eyes we may presume—Mr. Allan expressed the belief that on the whole last year had seen an improvement. He looked for better conditions in the livestock industry, particularly in supplying the British market.

The need for stimulating immigration of the right kind was emphasized by J. A. McLeod, general manager of the Bank of Nova Scotia, at the annual meeting at Halifax. He looked to the future with a certain measure of confidence, drawing attention to the unusual prosperity which has been enjoyed in the United States and stressing the fact that Canada was bound to benefit from this condition by selling a larger measure of our products in that market.

General business conditions are brighter. Cold weather has helped many lines of retail trade, although coming too late to counteract the open pre-holiday season. Canadian Machinery reports that steel mill operation, due to railroad orders, has been considerably increased. The Algoma Steel plant is operating practically on a full basis. In the east, however, the situation is somewhat clouded by the strike of the Cape Breton coal miners.

Tenders and By-Laws

TENDERS WANTED

Jan. 28, Township of O'Brien, R. C. Schools.—$35,000, 5½%, 30-yr. debs. O. Frs. Paquette, O.M.I., Sec. Board of Trustees, Kapuskasing.

Feb. 4, Village of Fort Erie.—$17,000, 5½%, 20-yr. debentures. A. E. Seaton, Clerk. (See announcement on page 13).

Jan. 31, Township of Tisdale. $83,000, 6%, 15 and 20-yr. debentures. Frank C. Evans, Treasurer, South Porcupine. (See announcement on page 13)

Feb. 4, Campbellford.—$28,800, 5½%, 30-yr. debentures. F. W. Wood, Treasurer. (See announcement on page 13).

Jan. 31, Cobourg.—$113,829, 5½%, 20-yr. serial debentures. A. W. Young, Treasurer. (See announcement on page 13).

Feb. 4, Village of Cayuga.—$12,000, 5½%, 20-ins. J. A. Toohey, Clerk, Cayuga. (See announcement on page 13.)

Jan. 30, Brantford.—$461,000, 5 and 5½%, debentures, due in 1953 and 1963. Arthur K. Bunnell, City Treasurer. (See announcement on page 13.)

Feb. 15, Huntsville.—$35,000, 5½%, 20-ins. debentures. T. M. Cullon, Clerk. (See announcement on page 13.)

SASKATCHEWAN

Debentures Reported Sold from Jan. 10 to Jan. 17, 1924.

Schools—Wheatville, No. 4547, $4,000, 15 yrs., 7 per cent., Cross & Co., Regina. Rosa, No. 4546, $3,300, 15 yrs., 6½ per cent., H. J. Birkett, Toronto. Saskatoon, No. 13, $30,000, 30 yrs., 6½ per cent., T. K. McCallum, Saskatoon.

Telephones—Evans, $400, 10 yrs., 8 per cent., Cross & Co., Regina. Big Gully, $250, 15 yrs., 8 per cent., S. M. Daly, Lloydminster. Georgina, $1,150, 13 yrs., 8 per cent., Mrs. Blake, Moosomin. Unity Union Hospital, $11,000, 20 yrs., 7 per cent., Cross & Co., Regina.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date—Place—	Sold To—	Rate	Term	Amount	Price	Basis
Jan. 22—Renfrew	Matthews & Co., Toronto	5½%	20-ins.	$100,000	101.922	5.27
Jan. 19—Omemee	Nesbitt, Thomson & Co., Montreal	6%	15-ins.	66,900	..	..
Jan. 19—Bobcaygeon	Nesbitt, Thomson & Co., Montreal	6%	10ins.	34,500	..	..
Jan. 18—Niagara Falls	Murray & Co., Toronto	5%	..	129,408	97.52	..
Jan. —Cochrane	Bird, Harris & Co., Toronto	5½%	20-ins.	110,000	..	..
Jan. 21—North York Twp.	Wood, Gundy & Co., Toronto	5½%	20-yr.	80,000	101.34	..
Jan. 21—Oakville	Wood, Gundy & Co., Toronto	5½%	..	55,000	100.33	..
Jan. 21—Windsor	Wood, Gundy & Co., Toronto	5to6%	10&20-ins.	1,031,114	99.41	..
Jan. 18—Bertie Twp.	Housser, Wood & Co., Toronto	5½%	10-ins.	16,079	100.00	..
Jan. 17—Saskatchewan Schools, etc	Various	..	..	50,100	..	..
Jan. 18—Ford	Housser, Wood & Co.	6%	10 & 15-ins.	76,000	..	..
Jan. 22—Victoria	Dominion Securities and Syndicate	5½%	20-yr.	400,000	..	..
Jan. 22—Victoria	Dominion Securities and Syndicate	5½%	20-ins.	585,000	..	..
Provincial						
Jan. 22—British Columbia	Wood, Gundy and Syndicate	5%	25-yr.	2,000,000	96.877	5.23
Jan. 18—New Brunswick	Provincial Bank of Can. and White Weld & Co., Boston	5%	10-yr.	800,000	99.939	..
Jan. 18—Newfoundland	Dillon, Read & Co., and Dominion Securities Corp.	5½%	20-yr.	3,000,000	96⅞	..
Railway						
Jan. 23—Canadian National Railway	Dominion Securities and Syndicate	5%	30	50,000,000	97.813	5.145

Our Trading Department

At all times we are prepared to submit satisfactory bids for the purchase, in odd lots, of Canadian Government, Municipal and high-grade Corporation Bonds.

Offerings of Victory Bonds of 1933 or 1937 are especially invited.

RENE-T. LECLERC
Incorporated
Montreal:- 163, St. James St.
Quebec:- 74, St. Peter St.
(ESTABLISHED 1901)

Canadian Northern Railways

5% INCOME DEBENTURE STOCK
Due May, 1930.

Secured by mortgage covering undertakings and railways of this system, which is owned and operated by the GOVERNMENT OF THE DOMINION OF CANADA.

These debentures may now be obtained at prices to return an increase in capital of nearly 90% in less than 6½ years.

Price and complete information will be mailed upon request.

HOUSSER WOOD & CO.
LIMITED
INVESTMENT BANKERS
ROYAL BANK BLDG. TORONTO

MURRAY & COMPANY

Specializing in

Government, Municipal and Corporation Bonds

CONTINENTAL LIFE BUILDING
ADELAIDE 6262 TORONTO

BURNETT PORTEOUS & COMPANY

Members
Montreal Stock Exchange
17 St. John St.
MONTREAL

GOVERNMENT and MUNICIPAL BONDS

W. L. McKINNON & Co
GOVERNMENT AND MUNICIPAL BONDS
McKinnon Bldg. TORONTO
Telephone Adel. 3871

MARITIME SECURITIES

Bought, Sold, Quoted.

Thomas, Armstrong, & Bell
LIMITED
1-3-5 Market Square. St. John, N.B.

Let Collateral Certificates Protect You

The matter of business failures is of grave importance to you; more so, is the means of ensuring freedom from the losses entailed.

Write for booklet, "Lessening Credit Losses."

MERCANTILE BONDS LIMITED
Temple Building
BRANTFORD, ONT.

The Leading
Life Assurance Company
of the Dominion

Assurances in force - $630,000,000
Assets - - - $170,000,000

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE-MONTREAL

STRICTLY A POLICYHOLDERS' COMPANY
Organized 1869. Opened for Business 1870.
Our Company was established on a purely mutual basis with the sole aim of securing for its members sound life insurance at a minimum cost. There are no stockholders. Profits are allotted to policyholders annually. All approved features are incorporated in our policies, including disability benefit and double indemnity in case of accidental death. The Company has a remarkable record of steady expansion in business, increasing payments to policyholders and growing assets, which last item includes a magnificent surplus—all of which is credited to the members of the Company. After testing other methods of profit-distribution, the management has decided to adhere to the annual dividend system. A very substantial increase in dividends has been decided upon for 1924.
The Mutual Life Assurance Company of Canada
Waterloo :: Ontario

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$80,000,000.00
Policies Issued from $500 to $5,000
G. E. BAILEY, Secretary — W. H. HUNTER, President — G. R. COTTRELLE, Treasurer

What the Maccabees Are
The Maccabees has been established for 42 years, and is now one of the largest beneficiary orders in the world, with about 250,000 members.
Besides fraternal advantages, you will enjoy insurance protection in 20 Pay Life, Endowment or Straight Life policies.
The Maccabees operate on adequate rate basis. Premiums may be paid yearly, half-yearly or monthly. Full particulars about our attractive options in our free literature.
Write for it today to The Maccabees, Confederation Life Bldg., Toronto.
Assets $18,000,000
Join the Maccabees Fraternal Protection
Benefits Paid over $140,000,000

The Canadian Order of Chosen Friends
A Government endorsed twenty-year paid-up plan.
Whole family life insurance at Government standard rates.
The best sick and funeral benefits.
Double sick benefits, by paying double rates.
An up-to-date child insurance department. Further particulars gladly furnished by corresponding with
WM. BENSON, Grand Councillor, 881 Queen St. W., Toronto, Ont.
W. F. CAMPBELL, Grand Organizer, Hamilton, Ont.
WT. F. MONTAGUE, Grand Recorder-Treasurer, P. O. Drawer, No. 349, Hamilton.

A BRITISH COMPANY
UNION INSURANCE SOCIETY OF CANTON
LIMITED
ESTABLISHED 1835
Fire - Automobile - Marine Insurance
TOTAL ASSETS OVER $40,000,000.00.
Head Office for Canada - 36 Toronto St., Toronto
C. R. DRAYTON, Manager for Canada

Public Confidence
in this institution has been a large factor in enabling it to attain to the position of Canada's premier Mortgage Corporation.
It offers to depositors every phase of Savings Account Service, based on the experience of nearly seventy years, combined with absolute security.
An account may be opened with One Dollar or more and full chequing privileges are allowed.
CANADA PERMANENT MORTGAGE CORPORATION
14-18 Toronto Street, Toronto. Established 1855
Paid-up Capital and Reserve Fund, $14,000,000.
Investments exceed $42,000,000.

Where
To Invest
The dual satisfaction of absolute security with substantial earnings can be realized through life insurance—best of all through a Great-West Life Endowment Policy. It touches the maximum at every point of insurance service.
THE GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE WINNIPEG

INSURANCE FOR BUYER AND SELLER

WILL HEAVY FIRE LOSS BRING ABOUT INCREASED RATES?

Past Three Years not Profitable For Insurance Companies

While estimates place the fire losses in Canada during the past year at $10,000,000 less than in 1922, officials of fire insurance companies maintain that the results from the standpoint of the companies are not so favorable as would appear. According to John B. Laidlaw, Canadian manager of the Norwich Union Fire Insurance Society, it will probably be found that the losses of insurance companies have been almost as great as during 1922. In that year there were several conflagrations with a great deal of property under-insured, also several individual large fires, such as the Cathedral at Ste. Anne de Beaupre, Quebec, and the Basilica at Quebec, involving heavy losses with little insurance, while on the Montreal City Hall, burned in March, there was no insurance.

Larger Portion Insured

During 1923, on the contrary, there was no large conflagration, although there were several minor ones, the most important being in the town of St. Agathe, Quebec, where 150 buildings were destroyed, principally dwellings, and speaking generally a larger proportion of the property destroyed in 1923 was insured. While official figures are not yet available, there would seem to have been an insurance loss approximately the same as in the previous year.

Cigarette a Cause?

It has been suggested that one cause among others of the steadily increasing loss ratio is the very prevalent use of cigarettes, and the growing carelessness in their use. Nearly all of the 500,000 Canadians who enlisted in the Great War became devotees of the cigarette, and many who remained at home have followed their example. The stub of a cigarette is a very dangerous thing, and we know causes many fires. Many users, however, apparently do not realize the danger, and are very careless, so that there may be many fires, now classed as "Origin Unknown," which have been set by a lighted cigarette stub dropped by a careless workman or even, perhaps, by a visitor to the premises.

In reviewing the year's operations, he says further:

Canada did not enjoy the spurt of business which was so marked in the United States in 1923, although there was some improvement in the commercial situation and the MacLean Building Review estimates that building operations were 15 per cent. in advance of 1922. On the other hand business operations were conducted cautiously, and it is very doubtful if the fire premiums written increased more than 5 per cent. over the previous year. Following are the figures of fire insurance in Canada for the last six years, estimating those of 1923:

Year	Premiums	Losses	Loss ratio including reserve
1918	38,184,939	19,383,730	56.77
1919	43,728,397	17,969,325	47.55
1920	54,764,281	24,872,340	56,16
1921	50,839,391	30,256,341	55.66
1922	51,036,206	35,174,939	69.12
1923	52,500,000	35,000,000	68.10

Bore Heavy Losses

As the expenses of companies in Canada average approximately 40 per cent. of the premium income, the insurance companies operating under the Dominion Department of Insurance had to bear a loss of over $4,500,000 in 1922, and the 1923 loss will probably exceed $4,000,000. This has produced a situation which demands attention, as the only alternative to reduced expenses and losses is higher premiums. One beneficial result has been to stimulate a closer supervision of risks, but in spite of this the losses on some classes have been so heavy that several companies have ceased accepting this class of business.

Higher Commissions

As Mr. Laidlaw points out, the rapid growth of premiums in 1919 and 1920, coupled with a low loss ratio, tempted many new companies to come to Canada, and several more entered in 1923, notwithstanding the bad results of that and the previous year. The efforts of new companies to establish themselves, coupled with a reduced or stationary premium income, has developed a situation of intense competition, and many of the evil results which usually follow thereon have been showing themselves.

The tendency, which was commented upon by G. D. Finlayson, Dominion superintendent of insurance, in THE FINANCIAL POST recently, has been to offer agents higher commissions and special concessions for their business, and pressure is thus brought on the older established companies to meet this. Attempts have been made to counteract this with only moderate success.

INSURANCE LICENSES

The following insurance licenses have been issued: The Pacific Coast Fire Insurance Co.; the Century Insurance Co., and the Anglo-Scottish General Commercial Insurance Co., to transact sprinkler leakage insurance; the Liverpool and Globe Insurance Co., to write accident, automobile, burglary, guarantee, inland transportation, plate glass, and sickness insurance.

NEW ROYAL TRUST DIRECTOR

His Hon. Henry Cockshutt, Esq., Lieut.-Governor of Ontario, has been elected to the Toronto Board of the Royal Trust Company.

Fewer Policy Loans in Manufacturers' Life

In his address at the annual meeting of the Manufacturers' Life Insurance Company the president, W. G. Gooderham, commented with satisfaction on the fact that new loans to policyholders were less than in 1922, and the cash repayment on loans were higher. However, there was an increase in the amount of insurance surrendered in 1923, a large proportion of this being subject to policy loans. The year's experience reveals a condition which the companies are putting forth strenuous efforts to overcome. While a policy loan in itself offers first-class security to the company, it greatly increases the possibility of a lapse on the policy.

The annual report submitted at the meeting showed that the year was one of record growth. The new insurance issued amounted to $52,353,071, exceeding any previous year. Insurance in force was given as $246,716,731, an increase of $29,294,268. The company's assets increased by over $5,000,000, and now amount to $47,273,368. Payments to policy holders and beneficiaries amounted to $4,031,643, and the mortality experienced was exceedingly favorable. The company has a surplus of $2,658,522, in addition to which there is an investment in contingency reserve which amounts to $600,000. In addition, the reserve for dividends to policy holders has been increased to $2,936,078, of which approximately $1,000,000 will be paid to policy holders during 1924.

The company operates in several countries outside of Canada and has been successful in developing a strong field force. J. B. McKecknie, the general manager, while pointing out that the interest rate on investments was slightly lower than in 1922, emphasized the soundness of the security afforded by these, which consist of government and municipal bonds and mortgages on real estate. Considering this the rate earned of 6.40 per cent. is highly satisfactory.

LONDON LIFE STAFF OFFER MUSICAL PLAY

Novel Entertainment for Week of Managers' Convention; Funds for Health Work

A new departure in developing a spirit of co-operation among insurance company employees was indulged in this week by the London Life Insurance Co., in the form of a play presented by the head office staff. The annual meeting of the company was held on Monday, followed by a convention of district managers on Tuesday. On both of these evenings, and the following night, the play, which is a musical comedy entitled "All aboard," was given in a London theatre. The cast included 133 members of the head office staff, the leading role being played by the general manager, E. E. Reid.

The occasion is not merely one of entertainment, but has behind it an effective idea. The proceeds are being donated to the Child Welfare Association for medical service. This is one instance of the growing interest displayed by life insurance institutions in health work. It is realized that any general increase in the health of the people will be reflected advantageously in the mortality experience of the companies.

The London Life will celebrate its jubilee this year, and plans are being made for the production of fifty millions of new business.

Record Progress Shown by London Life Report

According to the report submitted by the directors at the annual meeting of the London Life Insurance Company this week, the past year has been one of substantial increases and sound growth. The new Ordinary policies issued totalled $25,548,513 as compared with $18,568,347 in 1912 and the industrial policies amounted to $19,201,194, making the total issued $44,749,707. This makes the total insurance in force, after deducting reinsurance, $151,780,809, a net increase for the year of $22,098,468.

The premium and interest receipts for the year amount to $6,445,774, an increase of $1,020,173. Invested and other assets total $23,074,169, an increase of $3,839,981 for the year—the largest gain in the company's history.

After providing for all policy and other liabilities and adding substantially to the special reserves held for emergencies, the directors report an increase of $364,589 in the surplus on policyholders' account. This fund, inclusive of the paid-up capital of $100,000, now amounts to $1,018,966.

During the year the company continued its policy of investing heavily in first mortgages on real estate, the increase in these loans for the year being $3,443,256. The average rate of interest earned increased slightly to 6.84 per cent.

The year has been characterized by the introduction of the new low premium ordinary life annual dividend policy, which is of great value in meeting the needs of business and professional men and those requiring insurance protection at a low outlay. Over one-third of the ordinary business for the year was issued on this plan.

The soundness of the company's position is demonstrated by the fact that, while the surplus to policyholders stands at $1,018,966, the report of the actuary, John D. Buchanan, shows a total surplus over the requirements of the Dominion Insurance Act of $3,210,160.

LAPSED POLICIES CAUSE BIG LOSSES TO THOSE INSURED

Companies Direct Efforts to Keep Insurance in Force

"Why should I keep up my insurance?" is a question which presents itself to many policyholders every year. The pressure of living costs, new and expensive ways of securing enjoyment, etc., exert a strong influence toward cutting out insurance, as the most available economy in the family budget. Often in yielding to this influence one of the assets of great value is terminated without a thought to the disastrous results which may follow. So prevalent has the practice of dropping insurance policies become that the insurance companies are being aroused to special action, in an effort to reduce the scope. The annual reports of the companies show how prevalent it is by the wide divergence between the insurance issued each year and the gain in the amount in force; in one case the lapses, together with the amount of insurance dropped through death claims, maturing endowment policies, etc., totalled more than the new business issued during 1923, resulting in an actual decrease in the amount of insurance in force in that particular company.

The lapse ratio of course varies widely and in times of depression such as that following the period up to 1920, it tends to increase. Habits of living formed in more prosperous times are hard to break; high incomes at the time of making the insurance application are reduced; loans are sought on policies; all of which increase the possibility of lapses.

Strenuous efforts are made to overcome these. When lapses occur letters are sent to the policyholder pointing out the loss to him in dropping the policy and urging its continuance; offers to accept partial payment, with notes for the balance, etc., are made. Yet the lapses continue.

A booklet designed to influence policyholders before they become delinquent in their payments, rather than to stimulate reinstatements of lapsed policies, has been issued by the Aetna Insurance companies and is being distributed with premium notices and statements. In pointing out that delayed premiums add to the ultimate cost of insurance in general, in the extra accounting expenses, it says:

"The moment an insurance company agrees to insure you it must set aside a certain amount of reserve to guarantee the payment of the amount recorded in your favor. You expect the insurance company, when a policy is issued, immediately to protect you. Your insurance company really carries sufficient liability in performing this service alone and should not be expected to assume a double liability in the extension of credit also. Insurance cannot be sold on trial—which is the result when premiums are not paid."

The lapsing of a policy can mean nothing but loss to all those concerned and should not be resorted to except in extreme necessity. In the first place the premiums paid provide for the bare cost of protection plus an equity known as a reserve, which is accumulated by the company. In the early years of a policy the insured forfeits all of this reserve if the policy is dropped. Usually a cash surrender value is payable to the insured after the third policy year, when a policy is dropped. Contrary to the opinion of many, this is not the full reserve, as part of it is retained as a sort of fine on the insured for having allowed the policy to lapse.

In some cases the fault lies with the agent in persuading the applicant to purchase more insurance than he can afford to pay for. This practice is in the long run a losing one for the agent. Renewal commissions are forfeited, a measure of resentment is aroused in the mind of the insured, which may lead others to avoid insurance, and the agent's chances of promotion are lessened, as the company officials judge the value of the business secured largely by the way it stays on the books.

Prospects for Canadian Life Companies in U.S.

The success of some Canadian life insurance companies in securing business in the United States has at times been a subject of comment. In reviewing the prospects in this field the Great West Life bulletin says:

"There is a large amount of United States capital invested in the development of Canadian industries. Statistics inform us that fifteen per cent. of all United States investments abroad are to be found in the industrial development of Canada. Thirty-one per cent. of all the money invested in the development of Canada is American money.

"Capital knows no nationality. It goes where it is needed most and where it promises the best returns from investment.

"In the matter of life insurance, perhaps it also can be said that 'it goes where it is needed most.' Certainly it is the purpose of the agent to find receptive prospects, or to make them so by proving their need. Once that need is established the best likely return from a life insurance investment will certainly influence the sale. And in that respect, life insurance, like capital, knows no nationality. The same considerations that attract United States capital to Canada will attract their people to a Canadian company which has 'something better' to offer. The same reasons of favorable location and high interest returns, together with good management and absolute security, will ensure an ever-increasing flow of life insurance premiums, as well as of capital."

FREDERICK M. MOFFAT
Trustee in Bankruptcy
LIQUIDATIONS
COLLECTIONS
OSCAR HUDSON & COMPANY
Toronto London Hamilton Montreal
St. John, N.B. Winnipeg Vancouver

When selecting a Trust Company as an Executor choose one whose fixed policy is to give
Financial Assistance
to Estates being administered by it
PAID UP CAPITAL AND RESERVE $1,240,000
The Imperial Canadian Trust Co.
Executor, Administrator, Assignee, Trustee, Etc.
Head Office, Winnipeg.
Branches: Saskatoon, Regina, Edmonton, Calgary, Vancouver and Victoria.

FIRE AUTOMOBILE MARINE
British America Assurance Co. (Incorporated 1833)
British Empire Underwriters Agency
St. Lawrence Underwriters Agency
Western Assurance Company (Incorporated 1851)
Head Offices: 22 Wellington St., East, Toronto
INLAND TRANSPORTATION
RIOTS and STRIKES EXPLOSION

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. George, Superintendent of Agencies

USE TIGER LEAK PROOF
WOVEN CORD TIRES
Guaranteed for one year! Prices and particulars forwarded to you by return!
Tiger Tire & Rubber Co. Ltd.
42-44 Adelaide St. W., Toronto.

When Remitting
BUY
CANADIAN NATIONAL
EXPRESS
MONEY ORDERS

SECOND OF SEVEN
Winnipeg is the headquarters of seven splendid life companies, all safe to insure with.
The Northwestern, although the youngest, was second to construct its own home office building.
NORTHWESTERN LIFE

INTERNATIONAL TIME STAMPS
The most reliable spring-driven stamp on the market. Sets dates automatically. Prevents mistakes and disputes about time in connection with mail, documents, instructions, accounts, etc.
We also make automatic attendance registers, electric time systems, etc. Write for folder.
International Business Machines Co. Limited.
300 CAMPBELL AVE., TORONTO, ONT.

Satisfactory Service Guaranteed
PRUDENTIAL
TRUST COMPANY
LIMITED
Trustees, Executors, Administrators,
Real Estate and Insurance,
Safety Deposit Vaults.
B. HAL. BROWN,
President and General Manager.
HEAD OFFICE
PRUDENTIAL TRUST BLDG.,
Montreal.
Branches throughout Canada and in London, Eng.

LARGER SAVINGS SHOWN BY BANK OF NOVA SCOTIA

Record of Profits Was Well Maintained in Year

STRONG POSITION

Another $250,000,000 Added to Reserve Which is Nearly Double Paid-up Capital—Balance Increased

Increased savings deposits of nearly $3,000,000 marked the year's progress of the Bank of Nova Scotia, as shown in the annual statement. This was a big factor in expanding the company's available assets, and, with a reduction of about $5,500,000 in current loans, and about $4,200,000 in holdings of Dominion notes, as well as $4,300,000 in call loans abroad, the bank was able to make large advances on government securities, these increasing by over $6,200,000, and considerably increase call loans in Canada, loans on bonds, debentures, and stocks, on government loans and on securities. Because of the changes in the form of the statement, as the result of the recent changes in the Bank Act, some new items appear in the report. Following is a comparative summary:

IMMEDIATELY AVAILABLE LIQUID ASSETS

	1923 $	1922 $	Change
Specie	9,527,112	11,419,549—	1,892,437
Dom. Notes	20,893,762	25,115,654—	4,221,892
Note cir. dep.	499,871	474,491+	25,380
Notes, bk.	1,180,831	1,300,491—	119,660
Call loans ab'd.	6,088,762	10,384,713—	4,295,951
**Demand Notes	——	1,243,264—	1,243,264
Bank bal. ab'd.	3,357,810	2,258,433+	1,099,377
Gov. secs.	31,947,942	25,719,089+	6,228,853
Cheques	11,855,619	10,286,772+	1,568,847
Gold res.	6,500,000	6,000,000+	500,000
*Demand loans	10,724,652	10,364,702+	359,950
For. currency	1,585,804	——+	1,585,804
	$104,162,165	104,567,158—	404,993
% total assets	45.88	47.31—	1.43
% total liab. to pub.	52.87	54.74—	1.87

OTHER ASSETS

	1923 $	1922 $	Change
Pub. secs.	$9,896,898	10,373,949—	477,051
Other secs.	6,883,250	5,105,286+	1,777,964
†Call loans	11,318,943	7,414,190+	3,904,753
Current	65,523,063	71,016,952—	5,493,889
Elsewhere	13,606,411	12,446,341+	1,160,070
Over. debts	——	137,752—	137,752
Lets. of cred.	3,326,896	480,767+	2,846,129
Real estate	67,633	87,907—	20,274
Loans Gov.	4,406,033	2,471,343+	1,934,690
Premises	7,713,375	7,221,656+	491,719
Non.-curr. loans	662,407	——+	662,407
Other assets	322,725	324,023—	1,298
	123,727,634	117,080,166+	6,647,468
Total assets	227,889,799	221,647,324+	6,242,475

LIABILITIES TO PUBLIC

	1923 $	1922 $	Change
Circulation	15,074,324	15,399,640—	325,316
Dem. dep.	34,557,228	35,172,570—	615,342
Savings	140,234,471	137,252,082+	2,982,489
Due banks	3,089,188	1,835,627+	1,253,561
Due else.	1,218,147	862,560+	355,587
Accept.	——	480,768—	480,768
Lets. of cred.	3,326,896	——+	3,326,896
Bills pay.	236,036	576,560—	340,524
	197,736,290	191,579,757+	6,156,533

TO SHAREHOLDERS

	1923 $	1922 $	Change
Capital	10,000,000	10,000,000	——
Reserve	19,500,000	19,500,000	——
Dividends	400,814	394,404+	6,410
Balance	252,695	173,163+	79,532
	30,153,509	30,067,567+	85,942
Total liab.	227,889,799	221,647,324+	6,242,475

*On grain and staple commodities.
†On bonds, debentures and stocks.
**U. S. Currency and British Treasury demand notes.

The net profits of $2,104,532 showed little change compared with the $2,122,682 of the previous year, and $2,111,733 of 1921, and reflect earnings well maintained under the trying business and banking conditions which have prevailed. Dividends at 16 per cent. took $1,600,000, compared with $1,557,383 for the previous year, during which year the paid-up capital was increased from $9,700,000 to $10,000,000. The substantial sum of $250,000 was written off, and the balance considerably increased, as shown in the following summary:

Income Account

	1923	1922	1921
Bal. for.	$ 173,163	$ 65,328	$ 982,595
Net prof.	2,104,532	2,122,682	2,111,733
	$2,277,695	$2,188,010	$3,094,328
Dividends	$1,600,000	$1,557,383	$1,552,000
Reserve	......	35,000	1,000,000
Pension	75,000	75,000	80,000
Tax on civ.	100,000	97,464	97,000
Writn. off	250,000	250,000	300,000
Balance	252,695	173,163	65,328
	$2,277,695	$2,188,010	$3,094,328

The comparative record of earnings and dividends for eight years follows:

Year	Profits	% on Cap.	Div.	% on Invest.
1923 ..	$2,104,532	21.0	16	7.2
1922 ..	2,122,682	21.2	16	7.2
1921 ..	2,111,733	21.7	16	7.1
1920 ..	2,327,423	23.9	16	8.1
1919 ..	1,925,478	19.8	16	6.8
1918 ..	1,411,925	21.7	14	7.4
1917 ..	1,295,315	19.9	14	6.8
1916 ..	1,252,038	19.2	14	6.8

Capital Trust Has Added to Its Surplus

With increased profits for the year the Capital Trust Corporation had a total of $76,242 available for distribution to shareholders, of which $10,000 was added to reserve and $10,000 written off, leaving a surplus of $56,242. Following are comparative figures:

	1923	1922	1921
Net profits	$42,001	$41,344	$20,209
Bal. forward ..	34,241	37,897	54,530
	$76,242	$79,241	$74,739
Dividends	.....	.....	21,842
Con. Reserve	10,000	10,000	15,000
Written off	10,000	35,000	.....
Balance	56,242	34,241	37,897
	$76,242	$79,241	$74,739

The value of estates and agencies under administration advanced to $5,346,075.81, an increase of $1,657,737. The company was also appointed trustee for new bond issues of $850,000 and new transfer agencies of $14,000,000, the total of these items now being $17,940,000. The amount placed in the savings department by the general public at the close of the year was $1,214,806.82, as against $1,282,328.37 for 1922 and $985,181.68 for 1921. Quick liquid assets, consisting of government bonds and cash on hand, amount to $401,603.83, being equal to 60% of the total savings payable on demand.

Upward Trend of Fire Losses Checked in 1923

According to the New York Journal of Commerce, the fire losses in the United States and Canada in 1923 were $389,192,200, as compared with $410,889,360 in 1922, representing the first check in the upward trend of fire waste since the war. This is especially gratifying, because the losses in the first six months of the year exceeded those in the same period of 1922 by $30,000,000.

The total loss in Canada and the United States during the past forty-five years was $8,495,558,945, a yearly average of over $188,800,000. The losses last year exceeded all other years except 1906 and the previous year.

LIGHT RATE CUT AS DIVIDENDS GO UP

Montreal Power Splits Bonus Between Shareholders and General Public

From Our Own Correspondent.

MONTREAL.—Both the public it serves and the shareholders who own the company benefit simultaneously by Montreal Power's announcements of last week. Electric lighting rate to the consumer is reduced from 4½ to 4 cents per kilowatt hour, and the dividend rate to shareholders is increased from 6 per cent. to 7 per cent.

Both the increased dividend and the decrease in power rates are in accordance with precedents previously established by the company. The following table shows in brief how Montreal Power has reduced rates; how it has increased its dividends, and how the market for the stock has fluctuated:

Year	New Rate per k.w. hr.	Div. Pd.	Stock High	Stock Low
1908	12.75	6	113	85
1909	10.0	6½	136¼	109
1910	9.0	7¾	161⅝	120⅝
1911	7.5	8	193½	141
1912	7.0	8½	242½	187
1913	6.4	9½	240	203½
1914	6.0	10	233⅝	211
1915	6.0	10	241	211
1916	5.0	10	250	218
Stock Split 3 to 1 in 1916				
1916	5.0	4	83	79
1917	5.0	4	82⅞	68½
1918	5.0	4	88½	68½
1919	4.8	5	93¾	84½
1920	4.8	5	90	76
1921	4.8	5	89½	77½
1922	4.8	5	104½	85¼
1923	4.25	6	143¼	103¾

The present price of the stock is of course much higher than even a 7 per cent. dividend warrants. Obviously, the shareholders are expecting more from the company than the present increase in dividend. It is suggested that shortly an offering of stock at par may be made to pay the cost of the new Lachine Rapids development of 100,000 or more horse power.

Another suggestion is that the company may step into the affairs of Montreal Tramway and Power Company as Shawinigan stepped into the Quebec Railway situation. The action by Montreal Power would probably take the form of assisting in the financing of Tram Power; the purchase of its light and power enterprises, and the segregation of the tramways stock holdings of the company under E. A. Robert. This would give Montreal Light, Heat and Power undisputed control of the light and power field on Montreal Island, and would effect savings in management and other costs.

Curious Insurance Case Follows Soldier's Death

An unusual case has come to light in the Surrogate Court at Greenville, S. C., of a private in the United States army who took out a $10,000 life insurance policy just before leaving for France. He was killed in action on Armistice Day, Nov. 11, 1918, leaving only the policy and a letter to his sister as a will.

The certainty of the benefits under life insurance are gaining a wider appeal every year. In spite of conflicting provisions regarding the changing of beneficiaries in different Canadian provinces, one thing is clear—if a beneficiary is named in the policy, the proceeds of the policy are payable to that beneficiary regardless of any legal squabbles which centre around the will. All uncertainty is avoided and the payment made certain.

Leasing Railroad to Prevent Shutdown

OTTAWA.—The Inverness Coal and Railway Company, a Mackenzie and Mann subsidiary, which was left out when the Canadian Northern lines were purchased, will be leased by the Canadian National system if satisfactory arrangements can be made with the Toronto bondholders. A short term lease is proposed.

The line serves a coal mine which was threatened with the necessity of shutting down because of insufficient railway service due to lack of equipment. The rental is to be fixed by agreement with the bondholders.

Dr. Chisholm, M.P. for Inverness, has been here for some weeks urging the leasing of the road to prevent the mines shutting down, and an arrangement has now been provisionally concluded.

Joseph P. Day, chairman of New York Convention Citizens' Committee, says Democratic convention will bring 200,000 visitors to New York and estimates they will spend $30,000,000, not including expenditures for shopping.

NATIONAL TRUST MAKES NEW HIGH RECORD IN YEAR

The Growth of Assets and Profits Made Good Showing

A new high record for earnings marked the year ending December 31 for the National Trust Company. The net profits totalled $286,660, compared with $276,598 in the previous year, and represented 14.3 per cent. on the average capital employed, compared with 13.8 per cent. in two immediately preceding years. The market quotations on the company's stock reflected this progress, the spread being 215 high and 197 low, compared with 201 high and 190 low in the previous year. Following are comparative figures:

Year	xNet Profits	% on Av. Cap.	Div.	Stock High	Stock Low
1923 ..	$286,660	14.3	12	215	197
1922 ..	276,598	13.8	12	201	190
1921 ..	276,865	13.8	12	200	190
1920 ..	235,025	14.0	11	230	198
1919 ..	247,440	16.4	10	205	200
1918 ..	239,784	15.9	10	...	...
1917 ..	226,080	15.0	10	212	207
1916 ..	222,754	14.8	10	210	210

x Income tax deducted.

With dividends of $240,000, at the rate of 12 per cent., and income taxes of $30,000, there was still a substantial balance to carry forward, as shown by the following figures:

	1923	1922	1921
Profits . . .	$316,660	$294,498	$301,865
Inc. tax . . .	30,000	18,000	25,000
	$286,660	$276,598	$276,865
Bal. forward	157,880	121,282	84,417
	$444,540	$397,880	$361,282
Distribution—			
Dividends	240,000	240,000	240,000
Balance	204,540	157,880	121,282
	$444,540	$397,880	$361,282

The year was also a record as regards expansion of assets under administration. The total increased by more than $13,000,000 to a total of $126,094,947. The guaranteed funds in the company's charge increased by nearly $1,500,000, of which about $1,000,000 was in deposits. The estates and trusts in the company's charge increased by over $12,000,000. Following are comparative figures showing development:

	Capital Account	Guaranteed Account	Estates etc.
1923 ..	$4,370,583	$7,440,988	$114,283,375
1922 ..	4,341,718	5,941,839	102,259,850
1921 ..	4,298,443	5,113,988	93,400,117
1920 ..	4,277,214	5,387,200	84,726,290
1919 ..	3,300,670	5,975,711	79,665,410
1918 ..	3,238,221	6,897,900	69,955,548
1917 ..	3,197,122	7,717,790	65,807,722
1916 ..	3,174,174	7,371,097	58,651,782
1915 ..	3,140,543	6,986,333	49,205,608

Midland Loan Had A Satisfactory Year

Net profits of the Midland Loan & Savings Company, Port Hope, of $48,458 for 1923, compared with $52,725 for the previous year. Figures from the profit and loss account are summarized as follows:

	1923	1922	1921
Net profits ..	$48,458	$52,725	$50,246
Bal. forward .	18,395	19,870	22,024
	$66,853	$72,595	$72,270
Distribution—			
Dividends ..	$28,800	$28,800	$28,800
Bonus	3,600	5,400	3,600
Reserve	20,000	20,000	20,000
Balance	14,453	18,395	19,870
	$66,853	$72,595	$72,270

Seven Years' Record—

Year	Paid-up Capital	Profits	Div.	% on Av. Cap.	Earn Rate
1922 .	$360,000	$48,458	8+1	13.4	6.4
1922 .	360,000	52,725	8+1½	14.6	7.4
1921 .	360,000	50,246	8+1	13.9	7.2
1920 .	360,000	42,767	8+½	11.8	6.3
1919 .	360,000	43,607	8	12.1	6.6
1918 .	360,000	41,076	8	11.3	6.3
1917 .	360,000	41,299	8	11.4	6.5

During the year the deposits and debentures increased over $125,000 There were substantial increases in loans and assets. The reserve fund is now equal to paid-up capital, and, in addition to this, the sum of $14,462 has been carried forward to credit of profit and loss.

Royal Loan Showed A Growth of Earnings

With considerably increased net profits in its 48th year, the Royal Loan and Savings Company of Brantford, was able to add $20 000 to its reserve, compared with $15,000 last year, and, at the same time, increased the balance from $14,534 to $17,601. Following are comparative figures:

	1923	1922	1921
Net profits ...	$77,067	$72,372	$71,939
Bal. for.	14,534	11,162	8,223
	$91,601	$83,534	$80,162
Dividends ..	$54,000	$54,000	$54,000
Reserve	20,000	15,000	15,000
Balance	17,601	14,534	11,162
	$91,601	$83,534	$80,162

Eight Years' Record—

Year	Paid-up Capital	Profits	Div.	% on Cap.	Earn Rate
1923 ..	$600,000	$77,067	9	12.8	6.8
1922 ..	600,000	72,372	9	12.0	6.5
1921 ..	600,000	71,939	9	11.9	6.6
1920 ..	600,000	70,807	9	11.8	6.6
1919 ..	600,000	80,451	9	13.4	7.8
1918 ..	600,000	76,671	8	12.7	7.5
1917 ..	600,000	75,487	8	12.7	7.6
1916 ..	600,000	63,957	8	10.6	6.7

Total asstes of $2,615,406 showed an increase. Deposits of $790.977 showed a decline compared with $816,373 in the previous report, but debentures outstanding increased from $663,572 to $669 126. Mortgage loans show a further increase to $1,801,461, compared with $1,670,477 in the previous year.

Landed Banking Adds Substantially to Surplus

With profits for the year amounting to $129,576, less taxes of $12,736, the Landed Banking and Loan Company, Hamilton, had $116,840 available for distribution in addition to a balance forward of $44,533. After the payment of dividends of 8 per cent., with a bonus of 1 per cent., taking $90,000, $50,000 was added to the reserve fund, which is now $50,000 larger than the paid-up capital of $1,000,000, leaving a balance of $21,373. Following are comparative figures from the profit and loss account.

	1923	1922	1921
Profits . .	$129,576	$142,850	$137,672
Taxes . . .	12,736	16,373	16,220
	$116,840	$126,477	$121,452
Bal. for. .	44,533	8,055	1,603
	$161,373	$134,532	$123,055
Dividends .	90,000	90,000	80,000
Reserve .	50,000	....	35,000
Balance ..	21,373	44,533	8,055
	$161,373	$134,533	$123,055

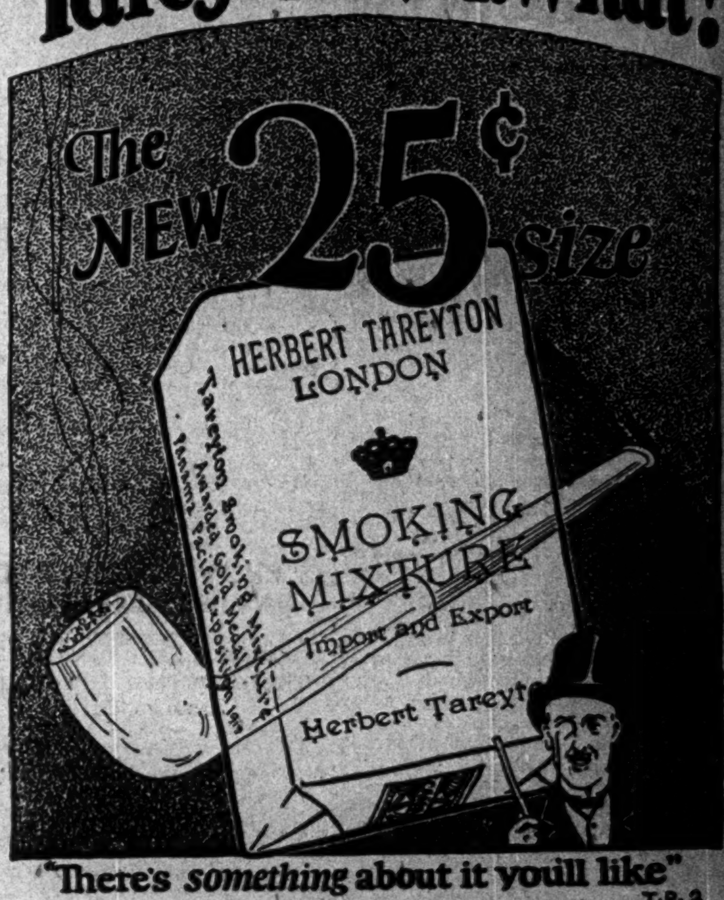
Eight Years' Record

Year	Paid-up Capital	*Net Profits	Div.	% av. Cap.	Earn Rate
1923	$1,000,000	$116,840	8+1	11.6	5.6
1922	1,000,000	126,477	8+1	12.6	6.3
1921	1,000,000	121,452	8	12.1	6.2
1920	1,000,000	119,274	8	11.9	6.2
1919	1,000,000	120,598	8	12.0	6.4
1918	1,000,000	129,501	8	12.9	7.2
1917	1,000,000	135,885	8	13.5	7.9
1916	1,000,000	131,084	8	13.5	7.6

*Taxes deducted.

The general balance sheet of the company shows total assets of $3,732,720, as compared with $3,612,390 a year ago. Of this total, mortgages comprise $3,134,739. On the liabilities side are shown deposits of $970,677, an increase as compared with the preceding year.

"Tareyton" flavor. What!



"There's *something* about it you'll like"

T.P. 2

NINETY-SECOND ANNUAL REPORT OF The Bank of Nova Scotia

CAPITAL PAID-UP - $10,000,000
RESERVE FUND - - $19,500,000

PROFIT AND LOSS

Balance Dec. 30th, 1922	$ 173,162 96
Net profits for year, losses by bad debts estimated and provided for	2,104,532 86
	$ 2,277,695 82
Dividends for year at 16%	$ 1,600,000 00
War Tax on circulation to December 31st, 1923	100,000 00
Contribution to Officers' Pension Fund	75,000 00
Written off Bank Premises Account	250,000 00
Balance carried forward December 31st, 1923	252,695 82
	$ 2,277,695 82

RESERVE FUND

Balance December 30th, 1922	$19,500,000 00
Balance forward December 31st, 1923	$19,500,000 00

GENERAL STATEMENT AS AT DECEMBER 31st, 1923

LIABILITIES

Capital Stock paid in		$10,000,000 00	
Reserve Fund		19,500,000 00	
Balance of Profits, as per Profit and Loss Account		252,695 82	
Dividends declared and unpaid		400,814 00	
			$30,153,509 82
Notes of the Bank in circulation		15,074,324 07	
Deposits not bearing interest	$34 557,227 90		
Deposits bearing interest, including interest accrued to date	140,234,470 50	174,791,698 40	
		189,866,022 47	
Balances due to other Banks in Canada		3,089,188 23	
Balances due to Banks and Banking Correspondents in the United Kingdom and foreign countries		1,218,146 69	
Bills Payable		236,036 04	
			194,409,393 43
Letters of Credit outstanding			3,326,895 75
			$227,889,799 00

ASSETS

Current Coin	$ 9,527,112 30
Dominion Notes	20,893,762 25
Notes of other Banks	1,180,830 72
United States and other foreign currencies	1,585,803 45
Cheques on other Banks	11,855,619 11
Balances due by Banks and Banking Correspondents elsewhere than in Canada	3,357,810 09
	48,400,937 92
Deposit in the Central Gold Reserves	6,500,000 00
Dominion and Provincial Government securities, not exceeding market value	31,947,942 35
Canadian municipal securities and British, Foreign and Colonial public securities other than Canadian, not exceeding market value	9,896,897 95
Railway and other bonds, debentures and stocks, not exceeding market value	6,883,249 69
Demand loans in Canada secured by grain and other staple commodities	10,724,651 84
Call and demand loans elsewhere than in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	6,088,762 33
	120,442,442 08
Call and demand loans in Canada secured by stocks, debentures and bonds and other securities of a sufficient marketable value to cover	11,318,943 40
	131,761,385 48
Deposit with the Minister of Finance for the purposes of the circulation fund	499,871 16
Loans to governments and municipalities	4,406,033 08
Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	65,523,063 60
Other current loans and discounts elsewhere than in Canada (less rebate of interest), after making full provision for all bad and doubtful debts	13,606,411 38
Liabilities of customers under Letters of Credit, as per contra	3,326,895 75
Non-current loans, estimated loss provided for	662,406 84
Bank Premises at not more than cost, less amounts written off	7,713,374 62
Real Estate other than Bank Premises	67,632 63
Other assets not included in the foregoing	322,724 46
	$227,889,799 00

G. S. CAMPBELL, President. J. A. McLEOD, General Manager.

Auditors' Report to the Shareholders:

We have examined the books and accounts of The Bank of Nova Scotia at its Chief Office and have been furnished with certified returns from the Branches, and we find that the above statement of Liabilities and Assets as at December 31st, 1923, is in accordance therewith. The Bank's investments and the securities and cash on hand at the Chief Office and at several of the principal Branches of the Bank were verified by us as at the close of business December 31st, 1923. In addition we visited the Chief Office and certain Branches during the year, when we checked the cash and verified the securities and found them to be in agreement with the books. We have obtained all information and explanations required, and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank; and we certify that the above statement of Liabilities and Assets as at December 31st, 1923, is in our opinion properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

A. B. BRODIE, C.A.
D. McK. McCLELLAND, F.C.A. } Auditors.
of the firm of Price, Waterhouse & Co.

Toronto, Canada, 16th January, 1924.

ALBERTA FARMERS VICTIMS OF OWN DESTRUCTIVE LAW

Cannot Now Secure Credit They Once Freely Got

Legislation that has been passed in Alberta, ostensibly to protect the farmer, has had the effect of making it impossible for Alberta farmers to get the credit they must have if they are to carry on. This is the substance of a pamphlet just issued by the Mortgage Loans Association of Alberta.

"Who suffers from this situation?" asks the writer for the association. "The financial institutions and those who have trust funds to invest? Not at all. .... Capital will be welcomed almost anywhere with open arms. .... The real and only sufferer is the Alberta farmer—a fact which he is now beginning to find out for himself."

The pamphlet reviews the various prior liens that have been put ahead of mortgage loans by destructive legislation of the province of Alberta, and it names no less than eleven such liens. The elimination of the personal covenant is also criticized.

"The whole force and effect of this mass of experimental legislation covering a period of several years has now descended upon the farmer of Alberta," continues the report.

"To-day, with one or two exceptions, every financial corporation has either curtailed or discontinued loaning in the province. Those that remain are loaning in such small volume and upon such a conservative basis of valuation, that it is an absolutely fair statement to make, that the farmer of Alberta can no longer obtain money on first mortgage. This creates an absolutely impossible position for Alberta agriculture. As long as such unheard of conditions remain, there can be no worth while rural development. With the stoppage of the free inflow of capital, coupled with the increasing difficulty in obtaining short-term loans, the Alberta farmer is, to all practical purposes, deprived almost entirely of the opportunity to obtain additional working capital. We have, as a matter of fact, reverted to the primitive state in this province.

"It is worth while to reflect, that all this pernicious legislation has been passed ostensibly to 'protect' the farmer. In reality, however, to cultivate his vote. The grossest breaches of faith with those who risked their savings in Alberta mortgage loans, the throwing to the winds of all considerations of justice and fair play, the repudiation of all responsibility towards non-resident investors who depended upon the government to protect their legitimate interests, all these glaring injustices have been committed at the expense of the ultimate welfare of the farming class. The day of accounting is now here. Confidence in Alberta mortgage security [has] now been almost completely destroyed amongst financial institutions and no conscientious person will advise even private investors to risk their savings upon this class of investment. It is idle to maintain, that the past unfavorable seasons have not had a detrimental effect upon the free flow of mortgage capital, but the fact remains, that the chief obstruction to-day lies in objectionable legislation."

N.S. MINERS IN STRONG POSITION IN STRIKE FIGHT

(Continued from page 1)

past have been twitted with subservience to the corporations and operators, welcome a reasonable excuse to assert their independence.

John L. Lewis, too, is apparently not sorry for a situation which gives him a legitimate opportunity to refute by his actions the charge—hurled against him by the radicals last summer—that he was purposely playing into the hands of Besco and sacrificing his Nova Scotia membership.

Strike Pay Satisfies

As the mines have been working only one or two days a week, for some time past, the miners are actually much better off drawing strike doles, than they would be working in the pits. Consequently no motives of thrift impel them to make an early settlement. Operations at Sydney steel plant are already somewhat curtailed and if the coal supply is exhausted, it may have to close altogether, although that contingency is still some weeks away. The fate of the industry on which they must eventually depend for jobs, seems of little concern in the present.

The miners have fallen into their present strategic position largely through good luck and some errors of their opponents. The local U. M. W. executive does not even pretend to formulate its own policy but depends entirely upon Lewis for advice and instruction, and from the standpoint of his followers, that is about the wisest move Silby Barrett has ever made.

The provincial authorities have done what they could to patch matters up but as the strike is a passive one—the leaders describe it as merely "a suspension of work"—there is nothing the Halifax government can take hold of. There is no picketing, the mines are pumped and fanned by U. M. W. men working by agreement under 1923 rates, and negotiations are even now under way for the mining of small quantities of coal for maintenance purposes. So, failing federal interference, it would seem that the next move is up to the corporation itself.

If nobody makes a move, there is nothing to prevent the present suspension of work from continuing until April 1.

By that time the American miners will have decided whether to indulge in their annual spring walkout. If they strike, as usual, the extra demands upon U. M. W. funds may then compel a settlement of the Nova Scotia trouble.

Confer on Changes in Alberta Mortgage Laws

CALGARY—Further opposition to the Alberta laws affecting mortgage loans in Alberta is evident from the proceedings of the convention of the committee of commerce and agriculture in Calgary this month. The whole question of credit as existing in Alberta to-day was gone into and a great diversity of opinion expressed. Geo. Bevington, U. F. A. representative, advocated a re-organization of the credit system and spoke with scorn of the "old school of economics" which was supported by others who maintained that a return to the old standards would be the salvation of the country.

While severe criticism was levelled at existing legislation it was made clear that the desire of those present was to give mutual co-operation to the government in solving the many problems. It was decided to arrange a conference with the administration to discuss ways of cutting down expenditure, the high cost of production and the revision of laws affecting mortgage loans in the province.

IS PROVINCE BEHIND SAVINGS-INSURANCE?

Canvassers Say Definitely That They Represent Government Savings Office

Canvassers representing themselves as agents of the Ontario Provincial Savings Office are approaching large industrial institutions to address employees on the combined savings and insurance plan.

The plan being offered is a combination of insurance in several selected insurance companies, and savings deposits in the Savings Office. Deposits are made monthly at the Savings Offices by those taking up the plan. The larger part of this is retained by the office, which allows it to accumulate at 4 per cent. interest to the credit of the depositor. However, a portion of the money deposited in this way is turned over to the insurance company selected by the depositor as payment of premiums on the insurance. In the case of this money the Savings Office acts only as a collection agent, and in no wise guarantees its security.

The selling of the plan is in the hands of an independent agency, which turns the contracts over to the Savings Office and the insurance company involved in each case. It is understood that the forms used are subject to the approval of the Savings Office officials, who may also exercise some supervision of the salesmen employed by the insurance agency.

While this is not direct canvassing for savings by the provincial bank, bankers regard it as not being in keeping with assurances that aggressive efforts would not be made to secure their deposits.

THE FINANCIAL POST hears a well-defined report that the government will shortly revise the interest rate of the savings office to 3 per cent., which is regarded as the market rate as established by the banks. This would meet the objection that there is unfair competition, and sustain the position of the government that the savings office meets a public demand for safety.

Continental Life Makes Substantial Progress

The annual meeting of the Continental Life Insurance Company disclosed a highly satisfactory record for 1923. Although the previous year was a good one, breaking all former records, the figures for 1923, submitted at the annual meeting, showed a marked increase in the business of the company.

Some figures, taken from the company's annual report just issued, are:

Insurance issued and revived, $5,328,136, an increase over 1922 of $274,807. Total income, $935,699, an increase over 1922 of $58,109. Surplus earned, $161,057, an increase over 1922 of $52,057. Dividends paid or alloted to policy holders, $60,967, an increase over 1922 of $15,854. Reserves, $3,377,343, an increase over 1922 of $229,909. Assets, $3,969,383, an increase over 1922 of $313,137. Surplus, including paid-up capital stock, ($200,000), $468,284, an increase of $81,739.88.

George B. Woods, president of the company, in his address, referred to the gratifying growth in business during the year. He analyzed the annual report, and showed that the average rate of interest on the whole of the company's investments was 5.91 per cent. He stated that the issuance of policies up to $1,500 without medical examination has proven extremely satisfactory.

J. W. Gairdner Secures Northern Life Control

It is announced at London, Ont., that control of the Northern Life Assurance Co. has been acquired by the J. W. Gairdner interests. Following the death of F. H. Purdom, K. C., the former president, control of the company passed to a group of Waterloo business men. Hon. Manning Doherty was elected president, and S. C. Tweed, managing director. No definite announcement of the new officers under the Gairdner interests has yet been made.

HARRIS, FORBES MANAGER

It is announced by Harris, Forbes & Company, that W. H. Watson has been appointed manager of the Toronto office of the company.

Mr. Watson is a graduate of the University of Toronto. Since his return from overseas, he has been associated with Harris, Forbes & Company, being one of the organizers of their Toronto office. He is the son of W. S. Watson, assistant general manager of the Toronto General Trusts Corporation.

Soviet Activities in Toronto University Now Admitted

(Continued from page 1)

organizer, from the Soviet headquarters in New York to explain labor problems and interest students in them, and why they never ask nor permit the visits of the real labor leaders, like Gompers and Lewis, from the United States, Hodges, from England, or our own good men, like Tom Moore, Senator Robertson, or men of that type, who know Canadian conditions and will tell the truth? Why do the Students' Christian Association speakers, when shedding tears for labor, always harp on the Nova Scotia strike, which the real labor leaders know and say was a purely Soviet job?

Finally, the Varsity points out that THE POST'S charge that an organizing committee of eighteen students was formed is unfounded and then proceeds to tell what actually has happened. And what has happeend is exactly in accordance with the secret instructions for organization of groups in colleges issued from the New York office of the League. It admits that "nineteen students paid 25c. to be put on the list to receive literature bearing on the subject, but they positively did not join the League." It is a coincidence that 25c. is the annual membership fee to the League. The Varsity continues: "These men who subscribed for literature were considered as very probably students of the question, and they were organized into an 'Industrial Study group' quite independent of the League." It is another coincidence that this is one of the names recommended by the League as one under which its subsidiaries should operate; it deprecates too close an adherence to the name of the parent organization. The League for Industrial Democracy itself is not its real name. It is a subsidiary of the Workers' Party, which, in turn, is the United States and Canadian end of The Third Internationale of Moscow, but they each deny any official connection with the superior body. The Varsity concludes its exposure by stating that the first meeting of these nineteen students, formed into the "Industrial Study Group," held their first meeting with Professor Horning as speaker. The worst is yet to come.

In an editorial, the Varsity suggests that men connected with THE POST and others like them object to the students hearing the truth. At no time have THE POST staff thought or written anything that would suggest this view. On the contrary, the truth is what we have been fighting for all along. Professor Wrong in his review of the world situation the other night expressed the view for which we are contending when he said that "the University was no place for putting forth anything but the unprejudiced truth." What is found fault with to-day is that there are numerous organizations at work in the colleges to pervert the truth for the purpose of creating discord and centres of discord throughout Canada. It must be remembered we have a big enough problem in making good Canadians out of the numerous discordant races now coming to settle here without having to overcome the anti-British sentiment, the setting of class against class, religion against religion, now being cultivated by foreign emissaries working secretly in our schools and colleges.

THE POST took up these doings in the University only after efforts had been made privately by citizens to get the authorities to appreciate what was going on, and with the object of bringing public pressure to bear.

BELGO EARNINGS

Belgo-Canadian Paper Company will issue a profit and loss statement of the six months from July to December in the course of a few days. No balance sheet will be issued until the close of the complete fiscal year which comes at midsummer.

Some very optimistic forecasts are made of the earnings the statement will show and the figure is likely to be around 10 per cent. on the common stock after payment of bond interest and preferred dividends.

To invest wisely, it is necessary to consider not only the soundness of securities, but also their adaptability to your individual requirements.

The National City Company
Limited
MONTREAL — QUEBEC OTTAWA — TORONTO

Advisory Board

SIR CHARLES B. GORDON, G.B.E., *Chairman*.
SIR JOHN AIRD
A. J. BROWN, K.C.
HON. SIR LOMER GOUIN, K.C.M.G., M.P.
CHARLES R. HOSMER
WILMOT L. MATTHEWS
LT.-COL. HERBERT MOLSON, C.M.G., M.C.
FRED W. MOLSON
SIR AUGUSTUS NANTON
EDSON L. PEASE
W. N. TILLEY, K.C.
HON. J. M. WILSON

Big Increase in East Kootenay Timber Output

From Our Own Correspondent.

NELSON—The past year in East Kootenay saw a lumber production output worth $4,145,933, according to figures compiled by Norman Moore, district forester.

The total output was 173,633,582 feet; an increase of at least 10,000,000 feet over the previous year.

Of the 36 sawmills in the district, 26 were in operation. There were fifteen new plants established. There were 2,200 men employed at an average wage of $3.75 a day.

The district forester states that timber sales in 1923 amounted to 22,979,000 feet or double the sales of the year previous.

Regent West Adelaide Near Yonge
WEEK OF JAN. 28
Cameron Matthews English Players
In the Noted Comedy Success
"His House in Order"
Arthur Wing Pinero's Greatest Play
MATS. THURS. & SAT.
Performances at 2.30 & 8.30.
Now Playing "Bulldog Drummond"

New Issue

$50,000,000

Dominion of Canada

Guaranteeing the

Canadian National Railway Company

Thirty Year 5% Bonds

Dated 1 February, 1924. *Due 1 February, 1954.*

Principal and semi-annual interest (1 February and 1 August) payable at the office of the Minister of Finance and Receiver-General, Ottawa, or that of the Assistant Receiver-General at Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, Regina, Calgary or Victoria.

Bonds may be registered as to principal only, or as to both principal and interest.

Denominations: $1,000 and $500.

Subject to Legal Opinion of E. G. Long, Esq., K.C.

These bonds are secured by the full credit and taxing power of the Dominion of Canada equally with its Victory Bonds and other direct obligations. The Dominion of Canada guarantees unconditionally the payment of the principal and interest of the bonds of this issue, the guarantee being endorsed on each bond substantially as follows:

GUARANTEE

HIS MAJESTY THE KING in the right of the Dominion of Canada, acting by virtue of powers conferred by an Act of the Parliament of Canada, being the appropriation Act No. III, 1923, and of an Order of the Governor-General in Council, hereby guarantees to the lawful holder or holders, and according to the tenor thereof, the payment of the principal of and interest on all bonds, from time to time, certified by or on behalf of the Minister of Finance and Receiver-General of Canada, as forming part of an issue of bonds made by the Canadian National Railway Company, the principal of the said issue of bonds being limited to an aggregate of fifty million dollars ($50,000,000) of lawful money of Canada; the said bonds being dated the first day of February 1924, the principal thereof being payable on the first day of February 1954, at the office of the Minister of Finance and Receiver-General of Canada at Ottawa, or at the offices of the Assistant Receivers-General in Canada, the bonds bearing interest meanwhile at the rate of five per cent (5%) per annum, payable half-yearly at the said places on the first days of February and August.

Price: 99.50 and Interest

Wood, Gundy & Company
Dominion Securities Corporation Limited
A. E. Ames & Co.
The National City Company Limited

The above bonds are offered as, if, and when issued and received by us.